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#28

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re PATENT APPLICATION of

CANALI et al.

Group Art Unit: 2151

Appln. No.: 09/784,330

Examiner: Unknown

Filed: February 16, 2001

Title: AUCTION BASED PROCUREMENT SYSTEM

* * * * *

October 1, 2001
(September 30, 2001 = Sunday)

PETITION UNDER 37 C.F.R. 1.47(a)

Hon. Commissioner of Patents
and Trademarks
Washington, D.C. 20231

Sir:

Petition is hereby made for the Commissioner to accept the filing of the above-identified application by other than all of the inventors.

A Declaration of Dale S. Lazar is attached hereto providing proof of the pertinent facts concerning providing a copy of the application and Rule 63 Declaration therefor to the certain joint inventors who refuse to join in the present application. A Declaration of Brendan Walsh is attached hereto providing proof of the pertinent facts concerning the refusal of certain joint inventors to join in the present application.

The name and last known address of the joint inventors refusing to join in this application is as follows:

Mr. Felipe J. Fuster
14309 Cervantes Avenue
Darnestown, MD 20874

U.S.A.

Mr. Frank D. Banda
2107 Carter Mill Way
Brookeville, MD 20833
U.S.A.

Mr. Frank Banda
Software Performance Systems, Inc.
2011 Crystal Drive, Suite 710
Arlington, Virginia 22202
U.S.A.

Mr. Jorn M. Schaffner
12104-H Maple Forest Court
Fairfax, VA 22030
U.S.A.

On information and belief, Felipe J. Fuster, Frank D. Banda and Jorn M. Schaffner are joint inventors of the subject matter of at least one claim of the above-identified application. However, Messrs. Fuster, Banda and Schaffner have to date refused to join in the application. Accordingly, this application is being made by Brendan Walsh, Luigi J.F. Canali, Stephen D. Candelmo, Gail M. Bergantino and Michael R. Hasslinger on behalf of themselves and by Brendan Walsh on behalf of the non-signing inventors, Messrs. Fuster, Banda and Schaffner. The Rule 63 Declaration accompanying the present application has been executed by the inventors Luigi J.F. Canali, Stephen D. Candelmo, Brendan Walsh, Gail M. Bergantino and Michael R. Hasslinger on behalf of themselves. Inventor Mr. Walsh has also executed the Rule 63 Declaration on behalf of inventors Messrs. Fuster, Banda and Schaffner, who, as noted above, have refused to join this application.

The pertinent facts are as follows:

On information and belief, I, Dale Lazar, had the application and the Rule 63 Declaration therefor sent by certified mail to Messrs. Fuster, Banda and Schaffner on April 23, 2001 requesting that they execute and return the application papers. See attached Declaration of Dale S. Lazar dated September 19, 2001. On information and belief, Mr. Walsh re-sent the application and Rule 63 Declaration therefor to Mr. Banda on July 17, 2001 requesting that he execute and

return the application papers. See attached Declaration of Brendan B. Walsh dated September 19, 2001. On information and belief, Mr. Walsh has been trying to get the Rule 63 Declaration document for this case signed by Messrs. Fuster, Banda and Schaffner since on or before April 23, 2001. See attached Declaration of Brendan B. Walsh dated September 19, 2001. Inventors Luigi J.F. Canali, Stephen D. Candelmo, Brendan Walsh, Gail M. Bergantino and Michael R. Hasslinger have signed the Rule 63 Declaration. Messrs. Fuster, Banda and Schaffner have refused to sign the Rule 63 Declaration and Messrs. Fuster and Banda have specifically informed Mr. Walsh of their decision not to sign the documents in writing. See attached Declaration of Brendan B. Walsh dated September 19, 2001.

It is submitted that a *bona fide* attempt was made to obtain the signature of Messrs. Fuster, Banda and Schaffner. Therefore, this application is being filed without the signature of joint inventors Messrs. Fuster, Banda and Schaffner.

The Petition fee of \$130.00, which is set forth in 37 C.F.R. § 1.17(i) is enclosed.

Respectfully submitted,

PILLSBURY WINTHROP LLP

By: 

Dale S. Lazar

Reg. No. 36,004

Tel. No.: (703) 905-2126

Fax No.: (703) 905-2500

1600 Tysons Boulevard
McLean, Virginia 22102
(703) 905-2000

EXHIBIT A

**Copy of envelope, postmarked October 2, 2001, that contained the
original Rule 63 Declaration of Jorn M. Schaffner**

J. SCHAFER
Box 4 Maple Forest
Bridges VA 22000



MR. DAVE LARDE
PINEBURY WINTHROP HT
1100 NEW YORK AVE, NW
9TH FLOOR
WASHINGTON, DC 20005-3918

20000513918



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re PATENT APPLICATION of

CANALI et al.

Group Art Unit: 2151

Appln. No.: 09/784,330

Examiner: Unknown

Filed: February 16, 2001

Title: AUCTION BASED PROCUREMENT SYSTEM

* * * * *

October 1, 2001

DECLARATION OF DALE S. LAZAR

Hon. Commissioner of Patents
and Trademarks
Washington, D.C. 20231

Sir:

I, DALE S. LAZAR, declare that:

1. I am a partner with the law firm of Pillsbury Winthrop LLP.
2. On information and belief, Felipe J. Fuster, Frank D. Banda, Jorn M. Schaffner, Luigi J.F. Canali, Stephen D. Candelmo, Brendan Walsh, Gail M. Bergantino and Michael R. Hasslinger are joint inventors of the invention disclosed and claimed in the above-identified patent application.
3. Inventors Luigi J.F. Canali, Stephen D. Candelmo, Brendan Walsh, Gail M. Bergantino and Michael R. Hasslinger have signed a Rule 63 Declaration for the patent application.
4. I have had forwarded a copy of the patent application along with a copy of the Declaration to each of Messrs. Fuster, Banda and Schaffner for their review and execution by

letter dated April 16, 2001 sent by certified mail on April 23, 2001. The letter, patent application and the Declaration were sent to the last-known home addresses for each of Messrs. Fuster, Banda and Schaffner as follows:

Mr. Felipe J. Fuster
14309 Cervantes Avenue
Darnestown, MD 20874
U.S.A.

Mr. Frank D. Banda
2107 Carter Mill Way
Brookeville, MD 20833
U.S.A.

Mr. Jorn M. Schaffner
12104-H Maple Forest Court
Fairfax, VA 22030
U.S.A.

5. A copy of my letter, the application and the Declaration sent to Messrs. Fuster, Banda and Schaffner is attached as Exhibit A. The letter was addressed to the first inventor Luigi J.F. Canali and sent by carbon copy (see page 2 of my letter dated April 16, 2001) to each of Messrs. Fuster, Banda and Schaffner at each of their above-identified last known addresses.

6. A copy of the certified mail receipts for the letter, application and Declaration sent to each of Messrs. Fuster, Banda and Schaffner is attached as Exhibit B.

7. On or about May 16, 2001, the letter, application and Declaration sent to Mr. Banda was returned to Pillsbury Winthrop LLP as undelivered. A copy of the envelope for the letter, application and Declaration sent to Mr. Banda is attached as Exhibit C. On information and belief, neither of the packages of letter, application and Declaration sent to each of Messrs. Fuster and Schaffner have been returned as undelivered to Pillsbury Winthrop LLP.

8. On information and belief, Mr. Brendan Walsh re-sent by Federal Express on or about July 17, 2001 the letter, application and Declaration to Mr. Banda for his review and execution.

I declare further that all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

By


Dale S. Lazar

Date:

10/1/01

EXHIBIT A

LETTER DATED APRIL 16, 2001, PATENT APPLICATION AND DECLARATION SENT
TO MESSRS. FUSTER, BANDA AND SCHAFFNER



PILLSBURY WINTHROP

1100 NEW YORK AVENUE NW NINTH FLOOR WASHINGTON, DC 20005-3918 202.861.3000 F: 202.822.0944

April 16, 2001

Mr. Luigi J.F. Canali
14209 Cervantes Avenue
Darnestown, MD 20874

Dale S. Lazar
202.861.3527
dlazar@pillsburywinthrop.com

Re: U.S. Patent Application of CANALI et al.
Entitled: AUCTION BASED PROCUREMENT SYSTEM
Appln. No. 09/784,330
Filed: February 16, 2001
Our Reference No.: 027396/0278080

Dear Mr. Canali:

Enclosed for your records is a copy of the above-identified patent application including specification, claims and drawings filed with the United States Patent and Trademark Office (USPTO) on February 16, 2001.

Enclosed also is a declaration mailed to all inventors to be signed and dated. Hence, please sign, date, and return to us the enclosed declaration. Once we receive the signed and dated declarations from you and the other inventors, we will then file each of the declarations in the U.S. Patent and Trademark Office.

Moreover, USPTO Rules 56, 97 and 98 require disclosure of prior art known to be material to patentability and encourage the filing of an "Information Disclosure Statement" within three months of the filing date. This provides a means of complying with the duty of disclosing prior art as required by Rule 56. For a stronger resulting patent, and to avoid the defense by an infringer that the USPTO was misled by failure to disclose known prior art, any relevant reference should be promptly filed in the USPTO. Failure to timely cite material prior art or related cases could result in the patent being held unenforceable for lack of candor.



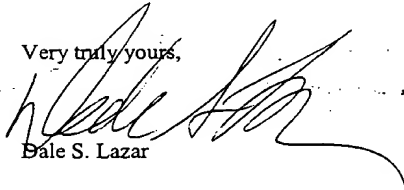
PILLSBURY WINTHROP LLP

Luigi J.F. Canali
April 16, 2001
Page 2

Accordingly, please provide us all prior art of which you or the other inventors are aware. Preferably, we should file this prior art within three months of the application filing date. Also, if you subsequently become aware of any prior art, we will need to disclose that prior art to the USPTO as well, within three months of your becoming aware of it.

If you have any questions or comments regarding this matter, please do not hesitate to contact me.

Very truly yours,



Dale S. Lazar

DSL/WGB
Encls.

cc: Mr. Stephen P. Candelmo – w/encls.
Mr. Felipe J. Fuster – w/encls.
Mr. Frank D. Banda – w/encls.
Mr. Brendan B. Walsh – w/encls.
Ms. Gail M. Bergantino – w/encls.
Mr. Jorn M. Schaffner – w/encls.
Mr. Michael J. Hasslinger – w/encls.

DECLARATIONS

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

As a below named inventor, I hereby declare that my residence, post office address and citizenship are as stated below next to my name, and I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the **INVENTION ENTITLED AUCTION BASED PROCUREMENT SYSTEM**

the specification of which (CHECK applicable BQ(X)(ES))
 X ☐ is attached hereto.
 BOX(ES) → B. ☒ was filed on February 16, 2001 as U.S. Application No. 09/784,330
 → C. ☐ was filed as PCT International Application No. PCT/ / on /
 and (if applicable to U.S. or PCT application) was amended on /
 I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above. I acknowledge the duty to disclose all information known to me to be material to patentability as defined in 37 C.F.R. 1.56. Except as noted below, I hereby claim foreign priority benefits under 35 U.S.C. 119(a)-(d) or 365(b) of any foreign application(s) for patent or inventor's certificate, or 365(a) of any PCT International Application which designated at least one other country than the United States, listed below and have also identified below any foreign application for patent or inventor's certificate, or PCT International Application, filed by me or my assignee disclosing the subject matter claimed in this application and having a filing date (1) before that of the application on which priority is claimed, or (2) if no priority claimed, before the filing date of this application:

PRIOR FOREIGN APPLICATION(S) Number	Country	Day/MONTH/Year Filed	Date first Laid- open or Published	Date Patented or Granted	Priority NOT Claimed
--	---------	----------------------	---------------------------------------	-----------------------------	----------------------

If more prior foreign applications, X box at bottom and continue on attached page.

Except as noted below, I hereby claim domestic priority benefit under 35 U.S.C. 119(e) or 120 and/or 365(c) of the indicated United States applications listed below and PCT international applications listed above or below and, if this is a continuation-in-part (CIP) application, insofar as the subject matter disclosed and claimed in this application is in addition to that disclosed in such prior applications, I acknowledge the duty to disclose all information known to me to be material to patentability as defined in 37 C.F.R. 1.56 which became available between the filing date of each such prior application and the national or PCT international filing date of this application:

PRIOR U.S. PROVISIONAL, NONPROVISIONAL AND/OR PCT APPLICATION(S) Application No. (series code/serial no.)	Day/MONTH/Year Filed	Status pending, abandoned, patented	Priority NOT Claimed
60/183,154	17 February 2000		

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

And I hereby appoint Pillsbury Winthrop LLP, Intellectual Property Group, 1100 New York Avenue, N.W., Ninth Floor, East Tower, Washington, D.C. 20005-3918, telephone number (202) 861-3000 (to whom all communications are to be directed), and the below-named persons (of the same address) individually and collectively my attorneys to prosecute this application and to transact all business in the Patent and Trademark Office connected therewith and with the resulting patent, and I hereby authorize them to delete names/numbers below of persons no longer with their firm and to act and rely on instructions from and communicate directly with the person/assignee/attorney/firm/organization who/which first sends/sent this case to them and by whom/which I hereby declare that I have consented after full disclosure to be represented unless/until I instruct the above firm and/or a below attorney in writing to the contrary.

Paul N. Kokulis	16773	Kendrew H. Colton	30368	Roger R. Wise	31204	Anthony L. Miele	34393
G. Lloyd Knight	17698	G. Paul Edgell	24238	Michael R. Dzwonczyk	36787	Robert J. Walters	40862
Kevin E. Joyce	20508	Lynn E. Eccleston	35861	Jack S. Barufka	37087	Brian J. Beatus	38825
George M. Sinilla	18221	David A. Jakopin	32995	Adam R. Hess	41835	John Jobe	28429
Donald J. Bird	25323	Mark G. Paulson	30793	William P. Atkins	38821	Mark C. Pickering	36239
Dale S. Lazar	28872	Stephen C. Glazier	31361	Paul L. Sharer	36004	David H. Jaffer	32243
Glen J. Perry	28458	Richard H. Zaitlen	27248	Robin L. Teskin	35030		

(1) INVENTOR'S SIGNATURE:

Date:

Luigi		J.F.	CANALI
First	Middle Initial	Family Name	
Residence	Damestown	MD	U.S.
City	State/Foreign Country		Country of Citizenship
Mailing Address	14209 Cervantes Avenue, Maple Forest Court, Damestown, MD		
(include Zip Code)	20874		

(2) INVENTOR'S SIGNATURE:

Date:

Stephen		P.	CANDELMO
First	Middle Initial	Family Name	
Residence	Bethesda	MD	U.S.
City	State/Foreign Country		Country of Citizenship
Mailing Address	9950 Derbyshire Lane, Bethesda, MD		
(include Zip Code)	20817		

"X" box ☒ FOR ADDITIONAL INVENTORS, and proceed on the attached page to list each additional inventor.

☐ See additional foreign priorities on attached page (incorporated herein by reference).

Atty. Dkt. No. P027396(M#) 0278080

DECLARATION AND OATH OF AFFIDAVIT
(continued)
ADDITIONAL INVENTORS

(3) INVENTOR'S SIGNATURE:

Date:

Felipe		J.	FUSTER
First		Middle Initial	Family Name
Residence	Damestown	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	14309 Cervantes Avenue, Harmony Woods Lane, Damestown, MD		
(include Zip Code)	20874		

(4) INVENTOR'S SIGNATURE:

Date:

Frank		D.	BANDA
First		Middle Initial	Family Name
Residence	Brookeville	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	2107 Carter Mill Way, Brookeville, MD		
(include Zip Code)	20833		

(5) INVENTOR'S SIGNATURE:

Date:

Brendan		B.	WALSH
First		Middle Initial	Family Name
Residence	Leesburg	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	43415 Turnberry Isle Court, Leesburg, VA		
(include Zip Code)	20176		

(6) INVENTOR'S SIGNATURE:

Date:

Gail		M.	BERGANTINO
First		Middle Initial	Family Name
Residence	Germantown	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	18817 Harmony Woods Lane, Germantown, MD		
(include Zip Code)	20874		

(7) INVENTOR'S SIGNATURE:

Date:

Jorn		M.	SCHAFFNER
First		Middle Initial	Family Name
Residence	Fairfax	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	12104-H Maple Forest Court, Fairfax, VA		
(include Zip Code)	22030		

(8) INVENTOR'S SIGNATURE:

Date:

Michael		J.	HASSLINGER
First		Middle Initial	Family Name
Residence	Reston	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	1302 Sundial Drive, Reston, VA		
(include Zip Code)	20194		

(9) INVENTOR'S SIGNATURE:

Date:

First		Middle Initial	Family Name
Residence			
City		State/Foreign Country	Country of Citizenship
Post Office Address			
(include Zip Code)			

- (a) ...Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the [Patent and Trademark] Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability...(b) information is material to patentability when it is not cumulative and (1) It also establishes by itself, or in combination with other information, a prima facie case of unpatentability of a claim or (2) refutes, or is inconsistent with, a position the applicant takes in: (i) Opposing an argument of unpatentability relied on by the Office, or (ii) Asserting an argument of patentability

PATENT LAWS 35 U.S.C.

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless--

- (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent or
- (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or
- (c) he has abandoned the invention, or
- (d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months* before the filing of the application in the United States, or
- (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent, or
- (f) he did not himself invent the subject matter sought to be patented, or
- (g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

§103. Condition for patentability; non-obvious subject matter

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made. . . .
- (c) Subject matter developed by another person, which qualified as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

* Six months for Design Applications (35 U.S.C. 172).

Auction Based Procurement System**BACKGROUND****1. Field of the Invention**

The present invention relates to network communications. More specifically, the present invention relates to an auction based procurement system.

2. Description of Background Information

Traditionally in the business world matching buyers and sellers is achieved through advertisement or word of mouth. This is usually followed by contacts between the buyers and sellers which sometimes includes lengthy negotiations and massive paper work. Volume trading procures discounts which are usually achieved in auctions by corporations or government entities ordering large volumes of products or services.

Added time and expenses are wasted on collecting, mining, processing, and modeling prior information from a huge selection of catalogs, trade publications, and directories. Normally this data is used to generate standard business reports and produce quantitative analyses on market trends. The above information is then correlated and analyzed to maximize savings through volume trading.

There are several types of auctions including sealed-bid auctions, ascending bid auctions, e-mail auction, seller-driven systems, and buyer-driven systems. Sealed-bid auctions are where the bidders in one single bidding round simultaneously and independently submit sealed bids to the auctioneer who then determines the auction outcome. Ascending-bid auctions are where the bidders are in a dynamic bidding process submitting bids in real-time until no more bids are forthcoming.

In e-mail auctions, an auction catalog is electronically mailed to people interested in bidding. Subsequently, bidders submit their bids on individual lots to an auctioneer via e-mail. A disadvantage to e-mail auctions are that a human auctioneer is required and it is

very difficult for the auctioneer to keep the bidders updated as to the current high bids on the various items.

5 A system is seller-driven in the sense that they focus on the methods and processes available to the seller, allowing him to price, package, or configure goods and services more effectively. The vast majority of retail purchases utilize seller-driven, fixed-price, non-negotiable pricing protocols. The buyer does not find the seller, rather the seller attracts numerous buyers who, as a group, determine the final selling price.

10 A buyer driven system is where a buyer can exercise more control over the terms and conditions of the purchase. If each buyer has a different set of purchasing specifications, communicated using non-uniform language, sellers pay a high cost to review and understand each individual request.

The following patents describe different types of auction based systems and business methods for trading various consumer products and services. U.S. Pat. No. 5,664,115 ("the '115 patent"), issued to Richard Fraser on September 2, 1997, presents an interactive
15 computer system which matches buyers and sellers of real estate, business and other property using the Internet.

The '115 patent provides for the buyer's information to be evaluated by the host system and determine whether the buyer is qualified to purchase each selected property. This computer system obtains and stores a set of records, each corresponding to a property to be
20 sold. Each set of records can then be searched by a remote data terminal associated with a potential buyer.

The results of this search are then provided to the potential buyer, who indicates specific property listings that the potential buyer may be interested in purchasing. The potential buyer provides identifying information which is then provided to the sellers of the
25 indicated property. This interactive computer system does not offer a method or system for

volume discount pricing. The '115 patent mainly deals with real estate and other property which is not volume trading sensitive.

U.S. Pat. No. 5,715,402, issued to Carl A. Popolo on February 3, 1998, specifies a method and system for matching sellers and buyers dealing in spot metals. This is a system for managing steel inventories that aids in selling primary and secondary steel. Sellers can post detailed descriptions of an item for sale and buyers can browse or search the posted inventory. A buyer may bid on part or all of an item posted and the seller may accept or reject any bid. The bidding is done through an auction by electronic mail.

U.S. Pat. No. 5,717,989, issued to Tozzoli et al. on February 10, 1998, stipulates a full service trade system for storing criteria specified by a funder relating to a trade transaction for buyers and sellers. The trade system compares the criteria with a proposed purchase order to determine whether the system can generate a payment guarantee on behalf of the funder for the buyer to the seller.

When the appropriate conditions for payment are met, the system issues funds transfer instructions to transfer payment from the buyer to the seller. This system is not auction based, instead the main purpose of this patent is to confirm that payment is made by the buyer to the seller.

U.S. Pat. No. 5,758,328, issued on May 26, 1998, and U.S. Pat. No. 5,842,178 ("the '178 patent"), issued on November 24, 1998, to Joseph Giovannoli describe a computerized quotation system and method. These systems are for forming a computer based communications network of network members consisting of network buyers and sellers for processing requests for quotation for goods and services through at least one central processing unit. The system includes a filtering means for controlling the communication linkage between network members.

The '178 patent contains no central database of goods and prices, instead the buyer formulates requests and the seller analyzes each request. The system is also not auction based and does not involve volume discount type trading.

U.S. Pat. No. 5,781,911, issued to Young et al. on July 14, 1998, discloses an
5 integrated system and method for data warehousing and delivery. This system consists of an integrated automatic generation of data warehouses or data marts further integrated with an automatic delivery of information from the data warehouses to knowledge workers throughout the enterprise.

This integration allows information in the data warehouses to be delivered
10 immediately after every refresh of the data warehouse. This is to permit maximum utilization of the information in the data warehouses throughout the enterprise to gain the most optimum decision support. This system deals with the method for extracting data from production of on-line transaction systems and processing that data into information and distributing the information.

15 U.S. Pat. No. 5,794,207, issued to Walker et al. on August 11, 1998, characterizes a method and apparatus for a cryptographically assisted commercial network system designed to facilitate buyer-driven conditional purchase offers. A controller receives binding purchase offers from prospective buyers. The controller makes purchase offers available globally to potential sellers. Potential sellers then have the option to accept a purchase offer and bind the
20 corresponding buyer to a contract.

Under this method, the buyer is bound and does not have a chance to accept or reject seller's response to the buyer's offer. This is not a volume based discount trading system, instead it is a one-buyer, one-seller system. This system does not utilize a master catalog or use historical data for creating bids.

U.S. Pat. No. 5,794,219, issued to Stephen J. Brown on August 11, 1998, discloses a method of conducting an on-line auction that permits individual bidders to pool bids during a bidding session. The auction is conducted over a computer network that includes a central computer, a number of remote computers, and communication lines connecting the remote computers to the central computers.

A number of bidding groups are registered in the central computer and each bidding group has a total bid for the item being auctioned. Bids are entered from the remote computers which are received in the central computer, each bid including a bid amount and a bid designation. Each bid amount is contributed to the total bid of the bidding group indicated by the bid designation.

The bidding group that has the largest total bid at the end of the bidding session wins the item being auctioned. The method then declares a winning group, the winning group being the one bidding group having the largest total bid at the end of the bidding session.

U.S. Pat. No. 5,835,896, issued to Fisher et al. on November 10, 1998, explains a system and method for conducting a multi-person, interactive auction, in a variety of formats without using a human auctioneer to conduct the auction. The system allows a group of bidders to interactively place bids over a computer or communications network. Those bids are recorded by the system and the bidders are updated with current auction status information.

When appropriate, the system closes the auction from further bidding and notifies the winning bidders and losers as to the auction outcome. This patent promotes higher prices for the seller and does not give the buyer the chance to withdraw bid.

U.S. Pat. No. 5,890,138, issued to Godin et al. on March 30, 1999, discloses an auction system which allows users to participate using their own computers suitably connected to the auction system.

The patent involves a method and system for providing rapid feedback of a reverse auction process and removes the user from the process once an indication to purchase has been received. Rapid feedback in combination with security of information is achieved with the method and auction system.

5 This method includes removing each purchaser from the auction process upon providing instructions to purchase the product at the displayed current price at the time the instructions were received. In this way the purchaser is not exposed to further decreases in the price of the product, and is removed from that particular auction process.

U.S. Pat. No. 5,905,975, issued to Lawrence M. Ausubel on May 18, 1999, specifies a
10 computer implemented system and method of executing an auction. The system has at least two intelligent systems, one for the auctioneer and at least one for a user. The auction is conducted by the auctioneer's system communications with the user systems.

The auctioneer's system contains information from the user, system based on bid information entered by the user. With this information the auctioneer's system determines
15 whether the auction can be concluded or not and appropriate messages are transmitted to the users.

At any point in the auction, bidders are provided the opportunity to submit their current bids, as well as future bids, into the auction system's database. Participants are continually provided the opportunity to revise their bids associated with all future times or
20 prices which have not already been reached, by entering new bids which have the effect of superseding the bidder's bid currently residing in the auction system's database.

U.S. Pat. No. 5,924,082 ("the '082 patent"), and U.S. Pat. No. 5,924,083 ("the '083 patent"), both issued to Silverman et al. on July 13, 1999, both describe a form of matching system. The '082 patent is a negotiated matching system which includes a plurality of remote
25 terminals associated with respective potential counter-parties, a communication between the

remote terminals, and a matching station. Each user enters trading information and ranking information into his or her remote terminal.

The matching station then uses the trading and ranking information from each user to identify transactions between counter-parties that are mutually acceptable based on ranking information, thereby matching potential counter-parties to a transaction.. Once a match occurs, the potential counter-parties transmit negotiating messages to negotiate some or all terms of the transaction. Thus, the negotiated matching system first matches potential counter-parties who are acceptable to each other based on trading and ranking information, and then enables the two counter-parties to negotiate and finalize the terms of a transaction.

10 The '083 patent by Silverman, et al. details a distributed matching system which generates and provides to trading entities a market view display, including a predetermined number of bids and offers of multiple trading instruments. These are available to each individual trading entity based on unilateral and/or bilateral credit availability between the offeror/bidder and the viewing trading entity and the quantity available to the trading entity
15 based of available unilateral or bilateral credit. The displayed market book may consist of individual order prices and quantities, aggregated prices and quantities, and/or average prices at predetermined quantities.

Japanese Pat. No. 55-37661, issued on March of 1980, summarizes a method to obtain a foreign goods total system. This system includes goods controlled by a host computer with
20 an information file for foreign goods or business. The system also controls the shipments of the head office and terminal equipment in branch offices connected to the host computer via transmission circuits.

Most sites on the Internet are primarily limited to situations in which the sellers advertise a product or service by posting a listing on an electronic bulletin board which can

be read by potential buyers. Many auction based systems require the payment of a fee in order to gain authority to utilize the database.

Most auction based systems simply perform an item-by-item listing of products or services being offered for sale. In high volume trading, the process usually is more complicated. Instead of searching each product or service to find a desired item, there is a need in the art for tailoring a search according to a variety of criteria such as lowest price, best value, vendor performance, audits, ratings, past choices based on recurring buying patterns learned by the system, etc.

The auction based system needed in the art would permit a buyer to avoid spending unnecessary time looking through catalogs, and the seller spending unnecessary costs through advertising. In this auction based system, it would be beneficial for the seller to narrow contacts with potential buyers to those more likely to consummate a transaction.

None of the above inventions and patents, taken either individually or in combination, describe or teach such an auction based system.

SUMMARY OF THE INVENTION

In one implementation of the present invention, a method is provided for an auction. The method receives, through a network, a request for an item from a first machine, the request for the item being based on a performance specification of the item. The method sends, through the network, the request for the item to a second machine. The method then receives, through the network, a bid from the second machine, the bid being based on the request for the item.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a request for an item from a first machine. The method sends, through the network, the request for the item to a second machine and to a third machine. The method receives, through the network, a first bid from the second

machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The method then determines (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first
5 result and the second result.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine. The method then
10 sends, through the network, a third request for a third item to a third machine, the third request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a request for an item from a first machine. The method sends, through the network, the request for the item to a second machine and to a
15 third machine. The method receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The method then determines a third bid, the third bid being based on (i) the first bid and (ii) the second bid.

In another implementation of the present invention, a method is provided for
20 generating a request for an item. The method determines the request for the item based on at least one of (i) an item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of a request for the item to purchase. The method then sends, through a network, the request for the item to an auctioneer machine server.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG. 1 depicts a simplified diagram of network communications.

FIG. 2A depicts a flowchart showing one implementation of an auction based procurement system.

5 FIG. 2B depicts a flowchart showing one implementation of an auction based procurement system.

FIG. 2C depicts a continuation of the flowchart of FIG. 2B.

FIG. 2D depicts a flowchart showing one implementation of an auction based procurement system.

10 FIG. 2E depicts a flowchart showing one implementation of an auction based procurement system.

FIG. 3 depicts one implementation of a page illustrating case studies of auctions.

FIG. 4 depicts one implementation of a home page for a consumer.

FIG. 5 depicts one implementation of a page illustrating a credit card report.

15 FIG. 6 depicts one implementation of a page illustrating view orders.

FIG. 7 depicts another page of the implementation of FIG. 6.

FIG. 8 depicts one implementation of a page illustrating bid results of an auction.

FIG. 9 depicts one implementation of a page illustrating create a cart.

FIG. 10 depicts one implementation of a page illustrating best value.

20 FIG. 11 depicts one implementation of a page illustrating category structure.

FIG. 12 depicts one implementation of a page illustrating sub-category structure.

FIG. 13 depicts one implementation of a page illustrating performance specification of an item.

FIG. 14 depicts one implementation of a page illustrating a report of an auction.

25 FIG. 15 depicts one implementation of a home page for a vendor.

FIG. 16 depicts one implementation of a page illustrating a losing bid result.

FIG. 17 depicts one implementation of a page illustrating a winning bid result.

FIG. 18 depicts a flowchart showing one implementation of an auction.

FIG. 19 depicts a flowchart showing one implementation of an auction.

FIG. 20 depicts a flowchart showing one implementation of an auction.

FIG. 21 depicts a flowchart showing one implementation of an auction.

FIG. 22 depicts a flowchart showing one implementation for generating a request for

FIG. 23 depicts a flowchart showing one implementation of an auction.

10 FIG. 24 depicts a flowchart showing one implementation of an auction.

FIG. 25 depicts one embodiment of an apparatus for an auction based procurement

FIG. 26 depicts one embodiment of a machine-readable medium having encoded information, which when read and executed by a machine causes a method for an auction.

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DETAILED DESCRIPTION

One embodiment of the present invention includes an auction based procurement system utilizing performance based auctions, where both buyers and sellers through pooling may take advantage of volume discount pricing. The embodiment uses a network communications (e.g., the Internet). The auction based procurement system may include four stages.

The first stage includes a request for a quotation that a buyer initiates. The buyer may review several databases of historical and present (or active) data to generate the request for the quotation.

The second stage includes quotation submission and analysis. The buyer creates and submits the request for goods and/or services. The buyer may establish specific terms of an auction such as: vendor type (e.g., socio-economic classifications or geographic locale), auction closing date, auction closing time, time zone of closing (e.g., EST, PST, etc), evaluation criteria (e.g., exact match, or meet or exceed), and award criteria (e.g., best value or low price). The buyer may use a catalog to guide the product/service selection. The buyer may also create and define custom items using suggested item definitions or ontologies. The embodiment may use a performance based request of the item (e.g., product or service) to potential sellers/vendors. As such, the embodiment may guide the buyer to define the item by performance, or brand or model number. Then, a buyer may procure a complex scope-of-work such as an installation of light fixtures similar to a commodity item such as paperclips. A template populated with items sought allows the buyer to experience ease in the procurement of the items. Vendors may respond through quotations to the buyer's request for the item, for example, by combining the vendors' bids. A ranking of the information provided by the buyers and/or the sellers may be performed. The ranking may be based on price, best value, or features of a request for an item. An award based on best value or low price may be determined. The calculation of best value considers the price of a bid, as well as factors such as past performance, warranty, risk, and features, which define an item. For example, an item having 5 characteristics may have 5 "features" to consider. Features may be quantified by assigning a point value to each. For example, a feature may be assigned a "0" value for each "meet" specification and a "1" value for each "exceed" specification. Vendors may be notified of their response ranking, though a vendor may be a winner or loser of the auction or the vendor may lead or lag in the auction.

The third stage includes award notification, product shipping, and proof of shipping.

Once a buyer is notified of the winning award, the buyer may cancel the submitted bid (e.g.,

5
system error) or repost the bid to a new pool. The buyer may contact customer service for mediation if the bid is "less than" the equal or better than the criteria of the buyer. The buyer may also accept the winning award (unless a systems error occurred). The embodiment allows buyers to accept a bid without having to evaluate the qualification of all the submitted bids. Acceptance of the winning award is not mandatory. The embodiment also allows buyers to purchase substitute items that are equal or better than the original submitted requirement.

10 The fourth stage includes payment, either online payment using an escrow account or an offline payment. In the offline payment the buyer may contract directly with the winning vendor. For escrow account payment, the buyer may advance funds upon proof of shipment of the item to cover the purchase. The escrow account may be used to distribute fees to the vendor, the shipping agent, and the auction system. The embodiment may notify each buyer of their savings from using the auction.

15 The detailed description refers to the accompanying drawings, where similar reference numerals correspond to similar features throughout the drawings, that illustrate embodiments of the present invention. Other embodiments are possible and modifications may be made to the embodiments without departing from the spirit and scope of the invention. Therefore, the detailed description is not meant to limit the invention. Rather the scope of the invention is defined by the appended claims, and their equivalents.

20 The Internet is a well-known, global network of cooperatively interconnected computer networks. The World Wide Web ("Web") portion of the Internet is a collection of server computers that store documents (i.e., Web pages), which are typically accessible by the public. A Web page consists of text, graphic, audio/visual, and the like (i.e., multimedia). An Intranet is similar to the Internet. Intranets, however, restrict access to the network to
25 users outside of a defined group, such as users who are not employees of a corporation.

Hereinafter, any description of the Internet also is applicable to an Intranet.

FIG. 1 shows a simplified diagram of network communications. Computer 10 operated by a consumer and computer 30 operated by a vendor are coupled to an Internet Service Provider ("ISP") or a Network Service Provider ("NSP") 60. The Internet Service Provider ("ISP") provides Internet access to operators of computers 20, 30, while the Network Service Provider ("NSP") provides Internet access to the ISPs, as well as the operators of computers 20, 30. The ISP/NSP 60 includes a router 50 that is coupled to auction server 10 via a network 41 (i.e., the Internet or Intranet). A browser, which runs on each of computers 20, 30, retrieves (or downloads) Web pages from the auction server 10. The browser allows the operators of computers 20, 30 to navigate (or "browse") between Web pages. In the system of FIG. 1, for example, consumers will be able to combine requests for purchase of goods and services from a plurality of vendors to obtain volume discounts.

A buyer 20 submits a request for goods and/or services and vendors 30 respond with bids. A server 10 may review databases of historical and present data to guide/aid the buyer 20 in creating and submitting a request for an item that will achieve the lowest price or best value for the item. The server 10 may notify all bidding vendors 30 of the existence of a lower bid. The server 10 may communicate the status of a bid to a bidding vendor in a "sealed or closed" fashion by displaying a "lead or lag" value, or in an "open" fashion by displaying the actual leading price/point.

A sales forecast report may be created to offer the vendor/seller an automated tool to capture the value of potential sales opportunities being processed by the server 10, which has real-time access to the status of all vendor bids. The status of a bid may be "lead" (winning bid at a point in time) or "lag" (loosing bid at a point in time). The server 10 may calculate a total dollar value of the difference between the lead bids and the lag bids. Proprietary bidding

software packages residing on a vendors network or workstation, however, does not have access to such information.

The embodiment includes a supply and demand based transaction model. Volume based discounting is correlated with supply and demand. The embodiment is based on a bilateral buyer driven process which may be utilized by organizations that would like to purchase significant amounts of goods or services at the lowest possible price or best value. Buyers 20 and sellers 30 may review different sources of data before submitting a bid or quotation.

Fig. 2A illustrates one implementation of a first stage of an auction based procurement system. The embodiment may be a virtual marketplace for controlled interactions between buyers 20 and sellers 30. These interactions may be optimized to facilitate monitoring and auditing of the system to ensure integrity and to produce detailed audit trails of every interaction with the server 10.

Buyers 20 may initiate the bidding. Sellers 30 respond through quotations to the buyers' auctions. The embodiment may include a personalized login access where both buyers 20 and sellers 30 may log onto the server 30 to obtain specific information, which may be provided by each business entity involved. First, the auction provides a site accessing system where through membership, identification codes for buyers 20 or sellers 30, access to specific information stored in the server 10 may be gained. The server 10 may present customized and personalized content based on historical interactions.

Once each buyer 20 logs 100 onto the auction, the buyers 20 have an option of reviewing different data sources 104, 106, 108, 110, and 112 in creating a bid cart 102. A bid cart may include specific information that the buyers 20 require of each product or service for bidding.

The bid cart may include: a) an auction owner's profile information such as organization name, contact name, contact numbers, credit card numbers, etc., b) the specific items sought from the auction, c) best value calculation logic and weightings, d) shipping information, and e) contractual terms and conditions. The auction may enhance the purchasing experience for both buyers 20 and sellers 30 by offering intelligent, practical and useful information that may be customized and pushed to a particular end user (e.g., through data mining).

The data sources 104, 106, 108, 110, and 112 from which each buyer 20 may retrieve information include a master catalog 104, active bid and communications 106, an automated pooling process 108, bid and communications archives 110, and recent and past external content 112. With most catalog systems the buyers 20 expend a great deal of time and effort sorting through each item to find a relevant item.

The master catalog 104 may be a dynamic data repository of item information to help the buyer 20 define performance specifications of an item. Disparate data sources such as OEM product catalogs, distributor catalogs, and reseller catalogs may be normalized for the data repository. The master catalog 104 may include product specifications, product image files, and suggested retail prices. The master catalog 104 may provides information to consumers 20 who are registered with the system.

The master catalog 104 may retrieve data from various disparate sources via commercially available push and pull technologies, which include transfers of fixed and variable file formats, interfacing to various databases, XML, OBI, and other distributed database connectivity sources. The master catalog 104 may also allow consumers 20 to retrieve product information through a standard database interface to determine create an auction and to search for like auction. The master catalog 104 may be accessed by remote buyers 20 through the network 41.

Historical data may be accumulated and stored in a database where specific information may be accessed based on the buyer's need for products and services. The historical auction data may be a compilation of closed transactions, which may be (a) all auctions submitted, (b) all vendor bids submitted, (c) all auction awards, and (d) all associated messages between the involved parties 20 and 30. The historical data may be retrieved and utilized during any search, create auction, create bid, or create report activity or data mining or artificial intelligence activity.

The buyer 20 may also retrieve data from active bid and communications 106. The active auction data 106 may include data from open transactions such as a) all auctions submitted, b) all vendor bids submitted, c) all associated messages between the involved parties 20, 30. The data 106 may be retrieved and utilized during any search, create auction, create bid, create report, or data mining or artificial intelligence activity. The buyer 20 may also observe active auctions 106 to determine the status of bids related to products or services of interest.

The self-searching pooling process 108 may be a manual process where a buyer 20 or vendor 30 initiate a search to find equal or better opportunities from historical and/or active opportunities. The buyer 20 may conduct the search of products and services.

Each buyer 20 may review the bid and communications archives 110, which are stored in a database. The bid and communications archives 110 database may include all submitted bids and communications between buyers 20 and sellers 30.

External product and service information 112 may not be concentrated in one database for buyers 20 and sellers 30 to review. The embodiment accumulates this information, which is stored in a database, updated and made available to all buyers 20.

Each vendor 30 may contribute and/or update information 114 in at least one of the various data sources 104, 106, 108, 110, and 112. The vendor 30 may provide accessible

information concerning prior trading transactions or information about the vendor's products and services. The buyer 20 may review the different data sources 104, 106, 108, 110, and 112. The server 10 may conduct its own pooling process 116 to further aid each buyer 20 in creating the best possible bid cart 102. The pooling process 116 may include an automated
5 process, which utilizes data mining and artificial intelligence technologies to proactively compare and analyze active bid and communications 106 opportunities to produce a list of equal or better pooling opportunities to the buyer, or suggest new pooling opportunities between buyers based on their prior purchases.

The embodiment may accumulate data to anticipate the final auction 102 of the
10 buyers 20. The pooling process 116 may use trending information that has been historically, collected, mined, processed and modeled from prior transactions.

Buyers 20 may be given product and service information that is equal or better to the information searched through the data sources 104, 106, 108, 110, and 112. Vendors 30 may also be presented with volume sale opportunities that may include different features on
15 similar products or services. The data 104, 106, 108, 110, and 112 may also be used to generate standard business reports, quantitative analysis on market trends, demand forecasting and correlation analysis.

Other types of advice from the pooling process 116 may include suggesting pre-determined courses of action based on past choices and available information. For example,
20 recreating bids 102 based on recurring buying patterns learned by the server 10. After the customer saves or submits a bid 118, the customer may review the pooling options 119 to submit the bid or an alternative bid 105.

The embodiment may involve past and future transactions to present submitted bids. The embodiment may anticipate the needs of its users 20 and 30 and proactively search for
25 and facilitate aggregated buying opportunities based on historical bidding patterns.

Fig. 2B illustrates one implementation of a second stage of the auction. The buyer 20 may save the information gathered in creating 118 their bid cart and return to submit a bid (see Fig. 1). The buyer 20 may further analyze the data sources 104, 106, 108, 110, and 112.

The buyer 20 may submit 120 their bid, which may then go into the pooling process 121. If the buyer 20 submits 120 the bid, the bid will formulate a detailed written specification setting forth the quantities and requirements of the item to purchase.

Once a bid has been submitted 120, the embodiment aggregates 123 and distributes 122 the submitted bid to the appropriate vendors 30. The embodiment may aggregate 122 information of similar auctions by comparing auction specifics such as feature set, auction end date, and award criteria (lowest price or best value). The embodiment notifies 123 the vendors 30 by comparing the auction's a) category and b) sub-category classifications and performing a lookup on a cross reference list which represents vendor's participation in that category and sub-category.

The notification 124 may then be sent anonymously to the registered vendor 30 through a user-defined communications preferences such as e-mail, paging, voice mail, etc. While the vendors 30 are being notified 122 of the aggregated and distributed bids, the embodiment may proactively pool and notify 124 each vendor 30 of the active results of the pooling process. Each vendor 30 may receive 126 and may generate 128 a response bid to each item that is an individual or aggregated/pooled auction 122.

The vendor 20 may generate 128 a bid response or quote by completing vendor fields within an auction's item detail. Bid responses 128 may be submitted anonymously within the embodiment. This eliminates the need for outside paper, or fax submissions as well as minimizing the risk of circumvention of the procurement system and collusion between buyers and sellers. Once each vendor 30 has generated 128 a response quotation, the vendor

30 may reply 130 in response to the buyers' 20 bid and pooling response 124. The embodiment may weigh all information and criteria specific to each buyer's bid 120.

An award 148 may be based on best value or lowest price. If the award criteria is based on best value, the embodiment may analyze all vendor 30 quotes and responses by executing the best value calculation process. The embodiment analyzes bid staging and communications 132. The best value program may measure, weigh, and compare the features and risks associated with a specific vendor's response/quotation 128 and 130. The best value model may use auction specific, product specific, and vendor 30 specific information to validate and rank bid responses. The rank may be based on user-entered weightings for each feature to produce relative score of the bids. The embodiment may match vendor quotes to buyer bid requirements 134. The embodiment may also apply 136 an evaluation criteria based on vendors performance, audits, and ratings as a part of the best value calculation. The embodiment may proceed to a ranking process 138 to arrange and sort various information provided by both buyers 20 and sellers 30.

Fig. 2C illustrates one implementation of the second stage of the auction. Each buyer may receive the final ranking 138 on best value 140 or lowest price 142. The embodiment may notify each vendor 20 of the bid status, which may be a leading bid or a lagging bid 144.

Vendors 30 may reply 144 to the ranking through the bid and pooling process 121. The process 121 may be repeated manually or automatically by preauthorizing re-bids in predetermined increments triggered by volume and/or pricing thresholds. The process 121 may come to a halt based on a time-sensitive deadline 146, which may be set by the potential buyer 20.

After the deadline 146 is reached, the buyers 20 and vendors 30 may be notified of the results 150 and 152. The embodiment may notify 152 each vendor 30 of their response position whether they were awarded the auction. The embodiment may also notify 150 all

buyers 20 of the results of the winning award 148. Each customer receives 156 the notification of results. Vendors 30 may receive 154 information concerning whether the vendors response bid wins or loses.

Fig. 2D illustrates one embodiment of the auction. The buyer 20 may be notified 158 that there was no responses posted for their bid(s). The buyer 20 then may cancel 166 the submitted bid, or submit/repost 164 the auction as is, and assume the lead position for other buyers to pool into.

The vendor's response may result 160 in less than "equal or better" than the specifications of the submitted bid. the buyer 20 then may contact 168 customer service for mediation. A customer service staff operates to solve customer issues regarding less than "equal or better quotations," requests, complaints, and other customer-related issues. When issues are resolved between the customer service and the buyer 20, the buyer 20 may accept the award 172.

The vendor's response 162 may generate the lowest price or is "equal or better" than the buyer's submitted bid. The buyer 20 then may accept 17 the winning award and may provide the vendor with further information on shipping and payment. Once server 10 receives 172 the notice of acceptance from the buyer 20, server 10 may record and notify 174 each vendor of the acceptance.

The auction system may offer shipping considerations for CONUS (within the Continental U.S.) and OCONUS (Outside the CONTinental U.S.) deliveries and may allow the buyer 20 to select various shipping service levels such as: overnight express, and standard ground.

Once vendors 20 receive notification 176, vendors may ship 178 the item to buyer(s) 20 using, for example, delivery accounts numbers. The vendors 30 may notify 180 server 10 of the tracking data. After server 10 receives 182 the tracking data, server 10 may store the

shipping information in a database where both buyers 20 and sellers 30 may then retrieve this information.

Fig. 2E illustrates one embodiment of the fourth stage of the auction. Server 10 may charge 184 the approved buyers 20 for products or services purchased through the auction and also for shipping fees. Server 10 may operate through an escrow account system 40. The escrow payment system 40 may involve the use of an escrow account associated with the buyer 20 where the funds may be advanced by the buyer 20 to cover the purchase of desired goods or services. The funds may be kept in the escrow account until the vendor accepts and ships the goods. Buyer 20 then pays into an escrow account 186.

The escrow 40 may distribute 188 the buyer's shipping and transaction fees to the appropriate parties. During the buyer acceptance period, transactions through the payment stage may occur. The escrow 40 may distribute 190 the balance of any funds held in the account to the appropriate vendors 30 after notification of shipment. The escrow 40 may notify 192 the balance transfer internally. To complete the bidding, the server 10 may notify 194 each buyer 20 of the purchased savings. The received 196 savings information may be stored in a database, which may be accessed and utilized by participating parties. Vendors 30 may receive the balance from internal escrow after the balance transfer.

FIG. 3 depicts one implementation of a page illustrating sample case studies, which may be reviewed. FIG. 4 depicts one implementation of a home page a buyer. The information listed includes current and historical auctions created by the buyer. The tabs at the top of the page provide capabilities such as generate a request for an item and a credit card usage report. The icons on the right of the page are short cuts to a plurality of features.

A report may be created to offer the buyer 20 an automated tool to perform credit card reconciliation. The credit card reconciliation is performed, for example, by government credit card/purchase card users. The user manually compares shipping invoices to credit card

statements to verify proper delivery and billing for all purchases. The credit card statement, however, provides only Level 1 data (i.e., date of transaction, vendor, and extended price of the goods). Thus, the user matches the Level 1 data to invoices, which are detailed and may use different order numbers, part numbers, and order execution date. The server 10, however, collects pertinent credit card order data such as vendor information, order execution date, item descriptions, unit prices, extended prices, and shipping information that better matches vendor invoices. The server 10 compiles an electronic report of the credit card order data. The electronic report may then be downloaded by a consumer 20 to reconcile credit card statements. In FIG. 5, for example, the electronic report is modeled based on the U.S. Air Force's 11th Wing District Washington reconciliation reporting requirements.

FIG. 6 depicts one implementation of a page illustrating the orders, where the consumer may view information of the existing auctions. FIG. 7 depicts one implementation of a page illustrating a second layer of detail of the participating vendors, the best bid price, and the rank by price, for example. Additional information may also be presented such as time of bid, and all bids vs. best prices. FIG. 8 depicts one implementation of a page illustrating the bid results of an auction. The data may include the winning vendor, the item of the request, the price of the bid, and performance specifications of the item.

FIG. 9 depicts one implementation of a page illustrating a creating of an auction. The buyer may choose socio-economic vendor classifications, as well as the duration of the auction and the evaluation criteria. FIG. 10 depicts one implementation of a page illustrating criteria for best value. The page may be customized/personalized. FIG. 11 depicts one implementation of a page illustrating a category structure to define product and service ontologies. FIG. 12 depicts one implementation of a page illustrating a sub-category structure. FIG. 13 depicts one implementation of a page illustrating a template for defining performance specifications for an item (e.g., product and service). FIG. 14 depicts one

implementation of a page illustrating a report for the consumer. The report may include the bidders and the bid prices in rank order. In short, the buyers 20 may take advantage of price/volume discounts offered through the auction based on pooling, automatic auditing, and diligent requests, for example.

5 On the seller's 30 side, the vendors 30 may chart supply curves, take advantage of increased business opportunities in spite of the business size, reduce associated transaction costs, and receive valuable data for manufacturing and sales forecasting. In addition, vendors 30 may bid on products and services (e.g., if no conflict of interests exists). The vendor 30 may take advantage of a volume purchase being made by pooled buyers 20 by joining into
10 the aggregated transaction (i.e., an "impulse buy"). The server 10 may flag potential or actual conflicts.

Large organizations already take advantage of the benefits afforded by a request for quotation because their volume buying represents an opportunity for suppliers to compete for the business. Large organizations also have the resources to communicate their buying needs
15 to a sufficient number of suppliers. As such, they often achieve substantial unit cost savings, for example, on commodity services and on perishable items. In the embodiment, even small buying and selling entities 20 may take advantage of the volume based discounts that large organizations have achieved in the past.

Traditional, auctions require the bidder's and seller's physical presence to assemble
20 within an auction house. It would be easier for both buyers and sellers, however, to leave large or numerous inventory stock at its original source and ship purchased items to the successful bidders at the end of the auction. The embodiment saves the sellers 30 time and moving costs by allowing their inventory to remain in their warehouses.

Web sites create volume discounts through predetermined fixed pricing and volume
25 levels with its suppliers. The embodiment, however, may create pooling opportunities in a

dynamic and real time environment. In addition, buyers 20 may not need an exact match to the requested item. Each buyer 20 may choose to purchase items that are equal or better than the requested item.

Vendors 30 may be presented with volume sale opportunities that may include different features on similar products. The embodiment creates demand through broadcast notifications to buyers 20 who purchased similar products in the past. The embodiment proactively mines historical bids to invite buyers 20 to join cyclic buying opportunities.

FIG. 15 depicts one implementation of a home page for the vendor. The page may include current and historical bids. FIG. 16 depicts one implementation of a page illustrating a losing bid. FIG. 17 depicts one implementation of a page illustrating a winning bid.

In FIG. 18, a method 1800 provides one implementation of an auction. In block 1805, the method 1800 receives, through a network, a request for an item from a first machine, the request for the item being based on a performance specification of the item. The request for the item from the first computer may also be based on at least one of (i) the item itself and (ii) a term of the request for the item.

In block 1845, the method 1800 may send, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

In block 1810, the method 1800 sends, through the network, the request for the item to a second machine. The request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor. The method 1800 may also send, through the network, the request for the item to a third machine.

In block 1815, the method 1800 receives, through the network, a bid from the second machine, the bid being based on the request for the item. The method 1800 may also receive, through the network, a second bid from the third machine, the second bid being based on the

request for the item. The request for the item, the first mentioned bid, and the second bid include at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

5 In block 1820, the method 1800 determines a result of an auction based on (i) the request for the item, (ii) the first mentioned bid and (iii) a second bid.

In block 1825, the method 1800 ranks the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

10 In block 1830, the method 1800 sends at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer. The ranking includes the first status for the first mentioned bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid. The method may receive a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

15 In block 1835, the method 1800 sends the result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine. An operator of the first machine submits to mediation based on the result of the auction. The operator of the first machine submits a second request for a second item based on the result of the auction.

20 In block 1840, the method 1800 prepares a report of the auction based on at least one of (i) the request for the item and (ii) a bid. The determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

25 In the method 1800, the first machine includes a first computer operated by a potential consumer, and the second machine includes a second computer operated by a first potential

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vendor, and the third machine includes a third computer operated by a second potential vendor.

In FIG. 19, a method 1900 provides another implementation of an auction. In block 1905, the method 1900 receives, through a network, a request for an item from a first machine. The request for the item may be based on at least one of (i) a performance specification of the item and (ii) a term of the request for the item.

In block 1940, the method 1900 sends, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

In block 1910, the method 1900 sends, through the network, the request for the item to a second machine and to a third machine;

In block 1915, the method 1900 receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

In block 1920, the method 1900 determines (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and the second result. The determination of the third result of the auction may be based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of the first bid and the second bid satisfying the request for the item.

In block 1925, the method 1900 ranks the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

In block 1930, the method 1900 sends at least one of (i) a first status and (ii) a second status to at least one of (i) the second machine and (ii) the third machine. The ranking includes the first status for the first bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

In block 1935, the method 1900 sends the third result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine. The request for the item may be sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

In the method 1900, the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor. An operator of the first machine may submit to mediation based on the result of the auction. The method 1900 may receive a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status. The operator of the first machine may submit a second request for a second item based on the third result of the auction.

In FIG. 20, a method 2000 provides another implementation of an auction. In block 2005, the method 2000 receives, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine.

In block 2010, the method 2000 sends, through the network, a third request for a third item to a third machine, the third request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item. The third request for the

third item may also be sent to the third machine based on (i) the third request for the third item and (ii) data on at least one potential vendor.

5 In the method 2000, the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor. In block 2015, the method 2000 notifies the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

10 In FIG. 21, a method 2100 provides another implementation of an auction. In block 2105, the method 2100 receives, through a network, a request for an item from a first machine.

In block 2110, the method 2100 sends, through the network, the request for the item to a second machine and to a third machine. The request for the item may be sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

15 In block 2115, the method 2100 receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item.

20 In block 2120, the method 2100 determines a third bid, the third bid being based on (i) the first bid and (ii) the second bid. The method 2100 may also receive, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

In the method 2100, the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor. In block 2125, the method 2100 may notify the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

25

In FIG. 22, a method 2200 provides one implementation for generating a request for the item. In block 2205, the method 2200 selects at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase. The item may include at least one of (i) a product and (ii) a service.

5 In block 2210, the method 2200 selects a term of a request for the item to purchase. The term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid. The type of vendor includes at least one of (i) socio-economic classification of vendor and (ii) geographic location of vendor. The evaluation criteria of the bid includes a match between the request for
10 the item and a bid from a potential vendor, the match including at least one of (i) an exact match between the request for the item and the bid from the potential vendor and (ii) the bid from the potential vendor satisfying the request for the item. The award criteria of the bid includes one of (i) best value and (ii) low price. The best value may be based on at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance
15 specification of an item.

The at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase may be selected from a database having the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase.
20 The selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase may also be based on at least one of (i) a past auction and (ii) an active auction.

In block 2215, the method 2200 determines the request for the item to purchase based on at least one of (i) the item itself, (ii) the performance specification of the item and (iii) the
25 term of the request for the item. The determination of the request for the item to purchase

may be based on at least one of (i) a past request for an item and (ii) an active request for an item.

In block 2220, the method 2200 sends, through a network, the request for the item to an auctioneer machine server.

5 In FIG. 23, a method 2300 provides another implementation for an auction. In block 2305, the method 2300 receives, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item. The request for the item from the machine may also be based on at least one of (i) the item itself and (ii) a term of the request for the item. The machine includes one of (i) a computer server operated
10 by an auctioneer and (ii) a computer operated by a potential consumer.

In block 2310, the method 2300 sends, through the network, a bid to the machine, the bid being based on the request for the item. The bid matches or satisfies the request for the item.

In FIG. 24, a method 2400 provides another implementation for an auction. In block
15 2405, the method 2400 receives, through a network, (i) a request for an item from a first machine and (ii) a first bid from a second machine, the first bid being based on the request for the item. The first machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer, and the second machine includes a
computer operated by a potential vendor.

20 In block 2410, the method 2400 determines a second bid, the second bid being based on (i) the request for the item and (ii) the first bid.

In block 2415, the method 2400 sends, through the network, the second bid to the first machine.

In block 2420, the method 2400 receives, through the network, a notification of an
25 option to combine the first bid and the second bid.

FIG. 25 illustrates one implementation of an apparatus 500. The server 10, the computer 20, and the computer 30 (see FIG. 1) comprise the apparatus 500, which comprises a transceiver 510, a processor 520, and memory 530. The transceiver 510 includes a transmitter 512 that allows the apparatus 500 to transmit information, for example, to the network 41 over a communications link. The transceiver 510 also includes a receiver 514 that allows the apparatus 500 to receive information, for example, from the network 41 over the communications link. Such transmission and reception operations over the communications link may be conducted using the same or different data rates, communications protocols, carrier frequencies, and/or modulation schemes. Likewise, the operations and/or circuit configurations of the transmitter 512 and the receiver 514, respectively, may be completely independent of one another or, alternatively, may be partially or fully integrated.

The processor 520, which may comprise one or more microprocessors, microcontrollers, or other arrays of logic elements, controls the operation of the apparatus 500 according to a sequence of commands that may be (A) stored in the memory 530 or in another storage device within or coupled to the apparatus 500, (B) entered by a user through an interface such as a data entry device (i.e., a keypad) (not shown), and/or (C) received from the network 41 over the communications link.

The memory 530, which may comprise read-only memory (ROM), random-access memory (RAM), nonvolatile memory, an optical disk, a magnetic tape, and/or a magnetic disk, stores programmable parameters and may also store information including executable instructions, non-programmable parameters, and/or other data. Executable instructions defining a method associated with the presented embodiments may also be stored in the memory 530 for execution by the processor 520. The method may be programmed when the apparatus 500 is manufactured or via a machine-readable medium 600 (e.g., see FIG. 26) at a later date. Such a medium may include any of the forms listed above with respect to the

memory 530 and may further include, for example, a carrier wave modulated, or otherwise manipulated, to convey instructions that can be read, demodulated/decoded and executed by the apparatus 500.

In view of the foregoing, it will be apparent to one of ordinary skill in the art that the described embodiments may be implemented in software, firmware, and hardware. The actual software code or specialized control hardware used to implement the present invention is not limiting of the invention. Thus, the operation and behavior of the embodiments is described without specific reference to the actual software code or specialized hardware components. The absence of such specific references is feasible because it is clearly understood that artisans of ordinary skill would be able to design software and control hardware to implement the embodiments of the present invention based on the description herein.

The foregoing presentation of the described embodiments is provided to enable any person skilled in the art to make or use the present invention. Various modifications to these embodiments are possible, and the generic principles presented herein may be applied to other embodiments as well. For example, the invention may be implemented in part or in whole as a hard-wired circuit, as a circuit configuration fabricated into an application-specific integrated circuit, or as a firmware program loaded into non-volatile memory or a software program loaded from or into a data storage medium as machine-readable code, such code being instructions executable by an array of logic elements such as a microprocessor or other digital signal processing unit, or some other programmable machine or system. As such, the present invention is not intended to be limited to the embodiments shown above, any particular sequence of instructions, and/or any particular configuration of hardware but rather is to be accorded the widest scope consistent with the principles and novel features disclosed in any fashion herein.

What is Claimed is:

1. A method for an auction comprising:
receiving, through a network, a request for an item from a first machine, the request
for the item being based on a performance specification of the item;
5 sending, through the network, the request for the item to a second machine; and
receiving, through the network, a bid from the second machine, the bid being based
on the request for the item.
2. The method of claim 1, wherein the first machine includes a first computer
10 operated by a potential consumer, and the second machine includes a second computer
operated by a potential vendor.
3. The method of claim 2, wherein the request for the item from the first
computer is based on at least one of (i) the item itself and (ii) a term of the request for the
15 item.
4. The method of claim 1, further comprising preparing a report of the auction
based on at least one of (i) the request for the item and (ii) the bid.
- 20 5. The method of claim 1, further comprising
sending, through the network, the request for the item to a third machine;
receiving, through the network, a second bid from the third machine, the second bid
being based on the request for the item; and
determining a result of an auction based on (i) the request for the item, (ii) the first
25 mentioned bid and (iii) the second bid.

6. The method of claim 5, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

7. The method of claim 6, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

8. The method of claim 6, wherein the request for the item, the first mentioned bid, and the second bid include at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

9. The method of claim 8, further comprising ranking the first mentioned bid and the second bid based on a comparison between (i) the request for the item and (ii) the first mentioned bid and the second bid.

10. The method of claim 9, further comprising sending at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer,

wherein the ranking includes the first status for the first mentioned bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

11. The method of claim 10, further comprising receiving a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

5

12. The method of claim 5, further comprising sending the result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine.

13. The method of claim 12, wherein an operator of the first machine submits to
10 mediation based on the result of the auction.

14. The method of claim 12, wherein an operator of the first machine submits a second request for a second item based on the result of the auction.

15 15. The method of claim 14, wherein the second item and the first mentioned item are the same.

16. The method of claim 1, wherein the request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

20

17. The method of claim 1, further comprising sending, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

25 18. A method for an auction comprising:

receiving, through a network, a request for an item from a first machine;
sending, through the network, the request for the item to a second machine and to a
third machine;

receiving, through the network, a first bid from the second machine and a second bid
5 from the third machine, the first bid and the second bid being based on the request for the
item; and

determining (i) a first result of an auction based on the request for the item and the
first bid, (ii) a second result of an auction based on the request for the item and the second
bid, and (iii) a third result of an auction based on the first result and the second result.

10

19. The method of claim 18, wherein the first machine includes a first computer
operated by a potential consumer, the second machine includes a second computer operated
by a first potential vendor, and the third machine includes a third computer operated by a
second potential vendor.

15

20. The method of claim 19, wherein the request for the item from the potential
consumer is based on at least one of (i) a performance specification of the item and (ii) a term
of the request for the item.

20

21. The method of claim 19, wherein the determination of the third result of the
auction is based on a match between the request for the item and at least one of (i) the first
bid and (ii) the second bid, the match including at least one of (i) an exact match between the
request for the item and at least one of the first bid and the second bid, and (ii) at least one of
the first bid and the second bid satisfying the request for the item.

25

22. The method of claim 19, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

5 23. The method of claim 22, further comprising ranking the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

10 24. The method of claim 23, further comprising sending at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer, wherein the ranking includes the first status for the first bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

15 25. The method of claim 24, further comprising receiving a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

20 26. The method of claim 18, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

25 27. The method of claim 18, further comprising sending, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

28. The method of claim 18, further comprising sending the third result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine.

5

29. The method of claim 28, wherein an operator of the first machine submits to mediation based on the result of the auction.

30. The method of claim 28, wherein an operator of the first machine submits a
10 second request for a second item based on the third result of the auction.

31. The method of claim 30, wherein the second item and the first mentioned item are the same.

15 32. A method for an auction comprising:
receiving, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine; and
sending, through the network, a third request for a third item to a third machine, the
third request for the third item being based on (i) the first request for the first item and (ii) the
20 second request for the second item.

33. The method of claim 32, wherein the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer operated by a second potential consumer, and the third machine includes a third computer
25 operated by a potential vendor.

34. The method of claim 33, further comprising notifying the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

5

35. The method of claim 32, wherein the first request for the first item and the second request for the second item request the same item.

36. The method of claim 32, wherein the third request for the third item and at least one of (i) the first request for the first item and (ii) the second request for the second item request the same item.

10

37. The method of claim 32, wherein the third request for the third item includes one of (i) the first request for the first item and (ii) the second request for the second item.

15

38. The method of claim 32, wherein the third request for the third item is sent to the third machine based on (i) the third request for the third item and (ii) data on at least one potential vendor.

20

39. A method for an auction comprising:
receiving, through a network, a request for an item from a first machine;
sending, through the network, the request for the item to a second machine and to a third machine;

receiving, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item; and

determining a third bid, the third bid being based on (i) the first bid and (ii) the second
5 bid.

40. The method of claim 39, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a
10 second potential vendor.

41. The method of claim 40, further comprising notifying the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

15 42. The method of claim 39, further comprising receiving, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

43. The method of claim 39, wherein the first bid and the second bid are for the same item.
20

44. The method of claim 39, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

25 45. A method for generating a request for an item comprising:

selecting at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase;

selecting a term of a request for the item to purchase;

determining the request for the item to purchase based on at least one of (i) the item itself, (ii) the performance specification of the item and (iii) the term of the request for the item; and

5 sending, through a network, the request for the item to an auctioneer machine server.

46. The method of claim 45, wherein the item includes at least one of (i) a product
10 and (ii) a service.

47. The method of claim 46, wherein at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase is selected from a database having the at least one of (i) the item to
15 purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase.

48. The method of claim 46, wherein the selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term
20 of the request for the item to purchase is based on at least one of (i) a past auction and (ii) an active auction.

49. The method of claim 48, wherein the determination of the request for the item to purchase is based on at least one of (i) a past request for an item and (ii) an active request
25 for an item.

50. The method of claim 45, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid.

5

51. The method of claim 50, wherein the type of vendor includes at least one of (i) socio-economic classification of vendor and (ii) geographic location of vendor.

52. The method of claim 50, wherein the evaluation criteria of the bid includes a
10 match between the request for the item and a bid from a potential vendor, the match including at least one of (i) an exact match between the request for the item and the bid from the potential vendor and (ii) the bid from the potential vendor satisfying the request for the item.

53. The method of claim 50, wherein the award criteria of the bid includes one of
15 (i) best value and (ii) low price.

54. The method of claim 53, wherein the best value is based on at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

20

55. A method for an auction comprising:
receiving, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item; and
sending, through the network, a bid to the machine, the bid being based on the request
25 for the item.

56. The method of claim 55, wherein the machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer.

5 57. The method of claim 56, wherein the request for the item from the machine is based on at least one of (i) the item itself and (ii) a term of the request for the item.

58. The method of claim 56, wherein the bid matches or satisfies the request for the item.

10

59. A method for an auction comprising:

receiving, through a network, (i) a request for an item from a first machine and (ii) a first bid from a second machine, the first bid being based on the request for the item;

determining a second bid, the second bid being based on (i) the request for the item

15 and (ii) the first bid; and

sending, through the network, the second bid to the first machine.

60. The method of claim 59, wherein the first machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer, and the second machine includes a computer operated by a potential vendor.

20

61. The method of claim 60, further comprising receiving, through the network, a notification of an option to combine the first bid and the second bid.

25

62. An apparatus for an auction comprising:

a receiver to receive (i) a request for an item from a first machine and (ii) a bid from the second machine;

a transmitter to send the request for the item to a second machine; and

a memory device coupled to the receiver and the transmitter, the memory device

5 being configured to store (i) the request for the item and (ii) the bid,

wherein (i) the request for the item is based on a performance specification of the item and (ii) the bid is based on the request for the item.

63. The apparatus of claim 62, wherein the first machine includes a first computer
10 operated by a potential consumer, and the second machine includes a second computer operated by a potential vendor.

64. The apparatus of claim 63, wherein the request for the item from the first
computer is based on at least one of (i) the item itself and (ii) a term of the request for the
15 item.

65. The apparatus of claim 62, further comprising
a processor coupled to the receiver, the transmitter, and the memory device, the
processor being configured to determine a result of an auction based on (i) the request for the
20 item, (ii) the first mentioned bid and (iii) a second bid,

wherein the transmitter is configured to send the request for the item to a third machine, and the receiver is configured to receive the second bid from the third machine, the second bid being based on the request for the item.

66. The apparatus of claim 65, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

5

67. The apparatus of claim 66, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

10

68. The apparatus of claim 62, wherein the request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

15

69. The apparatus of claim 62, wherein the transmitter is configured to send an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

20

70. An apparatus for an auction comprising:

a receiver to receive (i) a request for an item from a first machine, (ii) a first bid from a second machine and (iii) a second bid from a third machine;

a transmitter to send the request for the item to the second machine and to the third machine; and

25

a processor coupled to the receiver and the transmitter, the processor being configured to determine (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and the second result,

5 wherein the first bid and the second bid are based on the request for the item.

71. The apparatus of claim 70, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a
10 second potential vendor.

72. The apparatus of claim 71, wherein the request for the item from the potential consumer is based on at least one of (i) a performance specification of the item and (ii) a term of the request for the item.

15

73. The apparatus of claim 71, wherein the determination of the third result of the auction is based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of
20 the first bid and the second bid satisfying the request for the item.

74. The apparatus of claim 71, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

25

75. The apparatus of claim 74, wherein the processor is configured to rank the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

5 76. The apparatus of claim 70, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

77. An apparatus for an auction comprising:
10 a receiver to receive (i) a first request for a first item from a first machine and (ii) a second request for a second item from a second machine;
 a transmitter to send a third request for a third item to a third machine; and
 a processor coupled to the receiver and the transmitter, the processor being configured to determine the third request for the third item,
15 wherein the third request for the third item is based on (i) the first request for the first item and (ii) the second request for the second item.

78. The apparatus of claim 77, wherein the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer
20 operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor.

79. The apparatus of claim 78, wherein the transmitter is configured to notify the first potential consumer and the second potential consumer of an option to combine the first
25 request and the second request.

80. An apparatus for an auction comprising:

a receiver to receive (i) a request for an item from a first machine, (ii) a first bid from a second machine and (iii) a second bid from a third machine;

5 a transmitter to send the request for the item to the second machine and to the third machine; and

a processor coupled to the receiver and the transmitter, the processor being configured to determine a third bid,

wherein (i) the first bid and the second bid are based on the request for the item and
10 (ii) the third bid is based on the first bid and the second bid.

81. The apparatus of claim 80, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a
15 second potential vendor.

82. The apparatus of claim 81, wherein the transmitter is configured to notify the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

20

83. An apparatus for generating a request for an item comprising:

a transmitter to send a request for an item to an auctioneer machine server;

a processor coupled to the transmitter, the processor being configured to determine the request for the item,

wherein the request for the item is based on at least one of (i) the item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of the request for the item to purchase.

5 84. The apparatus of claim 83, wherein the item includes at least one of (i) a product and (ii) a service.

 85. The apparatus of claim 84, wherein a selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term
10 of the request for the item to purchase is based on at least one of (i) a past auction and (ii) an active auction.

 86. The apparatus of claim 83, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a
15 bid and (v) award criteria of a bid.

 87. The apparatus of claim 86, wherein the award criteria of the bid includes one of (i) best value and (ii) low price.

20 88. An apparatus for an auction comprising:
 a receiver to receive a request for an item from a machine;
 a transmitter to send a bid to the machine; and
 a processor coupled to the receiver and the transmitter, the processor being configured
to determine the bid,

wherein the request for the item is based on a performance specification of the item,
and the bid is based on the request for the item.

89. The apparatus of claim 88, wherein the machine includes one of (i) a computer
5 server operated by an auctioneer and (ii) a computer operated by a potential consumer.

90. The apparatus of claim 89, wherein the request for the item from the machine
is based on at least one of (i) the item itself and (ii) a term of the request for the item.

10 91. The apparatus of claim 89, wherein the bid matches or satisfies the request for
the item.

92. An apparatus for an auction comprising:
a receiver to receive (i) a request for an item from a first machine and (ii) a first bid
15 from a second machine;
a transmitter to send a second bid to the first machine; and
a processor coupled to the receiver and the transmitter, the processor being configured
to determine the second bid,
wherein the first bid is based on the request for the item, and the second bid is based
20 on (i) the request for the item and (ii) the first bid.

93. The apparatus of claim 92, wherein the first machine includes one of (i) a
computer server operated by an auctioneer and (ii) a computer operated by a potential
consumer, and the second machine includes a computer operated by a potential vendor.

25

94. The apparatus of claim 93, wherein the receiver is configured to receive a notification of an option to combine the first bid and the second bid.

95. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
5 receiving, through a network, a request for an item from a first machine, the request for the item being based on a performance specification of the item;
sending, through the network, the request for the item to a second machine; and
receiving, through the network, a bid from the second machine, the bid being based
10 on the request for the item.

96. The machine-readable medium of claim 95, wherein the first machine includes a first computer operated by a potential consumer, and the second machine includes a second computer operated by a potential vendor.

15

97. The machine-readable medium of claim 96, wherein the request for the item from the first computer is based on at least one of (i) the item itself and (ii) a term of the request for the item.

20 98. The machine-readable medium of claim 95, the method further comprising
sending, through the network, the request for the item to a third machine;
receiving, through the network, a second bid from the third machine, the second bid being based on the request for the item; and
determining a result of an auction based on (i) the request for the item, (ii) the first
25 mentioned bid and (iii) the second bid.

99. The machine-readable medium of claim 98, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

100. The machine-readable medium of claim 99, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

101. The machine-readable medium of claim 95, wherein the request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

102. The machine-readable medium of claim 95, the method further comprising sending, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

103. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a first machine;

sending, through the network, the request for the item to a second machine and to a third machine;

receiving, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item; and

determining (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and the second result.

10 104. The machine-readable medium of claim 103, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

15 105. The machine-readable medium of claim 104, wherein the request for the item from the potential consumer is based on at least one of (i) a performance specification of the item and (ii) a term of the request for the item.

20 106. The machine-readable medium of claim 104, wherein the determination of the third result of the auction is based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of the first bid and the second bid satisfying the request for the item.

107. The machine-readable medium of claim 104, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

5 108. The machine-readable medium of claim 107, the method further comprising ranking the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

10 109. The machine-readable medium of claim 103, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

110. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
15 receiving, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine; and
sending, through the network, a third request for a third item to a third machine, the third request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item.

20

111. The machine-readable medium of claim 110, wherein the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor.

25

112. The machine-readable medium of claim 111, the method further comprising notifying the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

5 113. The machine-readable medium of claim 110, wherein the third request for the third item includes one of (i) the first request for the first item and (ii) the second request for the second item.

10 114. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a first machine;
sending, through the network, the request for the item to a second machine and to a third machine;
receiving, through the network, a first bid from the second machine and a second bid
15 from the third machine, the first bid and the second bid being based on the request for the item; and
determining a third bid, the third bid being based on (i) the first bid and (ii) the second bid.

20 115. The machine-readable medium of claim 114, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

116. The machine-readable medium of claim 115, the method further comprising notifying the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

5 117. The machine-readable medium of claim 114, the method further comprising receiving, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

118. A machine-readable medium having encoded information, which when read
10 and executed by a machine causes a method comprising:
selecting at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase;
selecting a term of a request for the item to purchase;
determining the request for the item to purchase based on at least one of (i) the item
15 itself, (ii) the performance specification of the item and (iii) the term of the request for the item; and
sending, through a network, the request for the item to an auctioneer machine server.

119. The machine-readable medium of claim 118, wherein the item includes at least
20 one of (i) a product and (ii) a service.

120. The machine-readable medium of claim 119, wherein the selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase is based on at least one of (i) a past
25 auction and (ii) an active auction.

121. The machine-readable medium of claim 118, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid.

5

122. The machine-readable medium of claim 121, wherein the award criteria of the bid includes one of (i) best value and (ii) low price.

123. A machine-readable medium having encoded information, which when read
10 and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item; and
sending, through the network, a bid to the machine, the bid being based on the request for the item.

15

124. The machine-readable medium of claim 123, wherein the machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer.

20

125. The machine-readable medium of claim 124, wherein the request for the item from the machine is based on at least one of (i) the item itself and (ii) a term of the request for the item.

126. The machine-readable medium of claim 124, wherein the bid matches or
25 satisfies the request for the item.

127. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:

receiving, through a network, (i) a request for an item from a first machine and (ii) a
5 first bid from a second machine, the first bid being based on the request for the item;
determining a second bid, the second bid being based on (i) the request for the item
and (ii) the first bid; and
sending, through the network, the second bid to the first machine.

10 128. The machine-readable medium of claim 127, wherein the first machine
includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated
by a potential consumer, and the second machine includes a computer operated by a potential
vendor.

15 129. The machine-readable medium of claim 128, the method further comprising
receiving, through the network, a notification of an option to combine the first bid and the
second bid.

ABSTRACT

A method for generating a request for an item. The method determines the request for the item based on at least one of (i) an item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of a request for the item to purchase. The method then
5 sends, through a network, the request for the item to an auctioneer machine server.

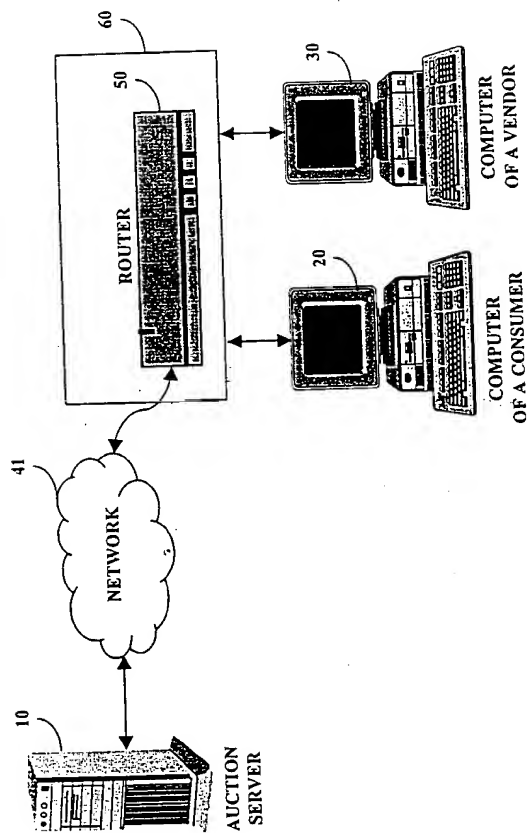


FIG. 1

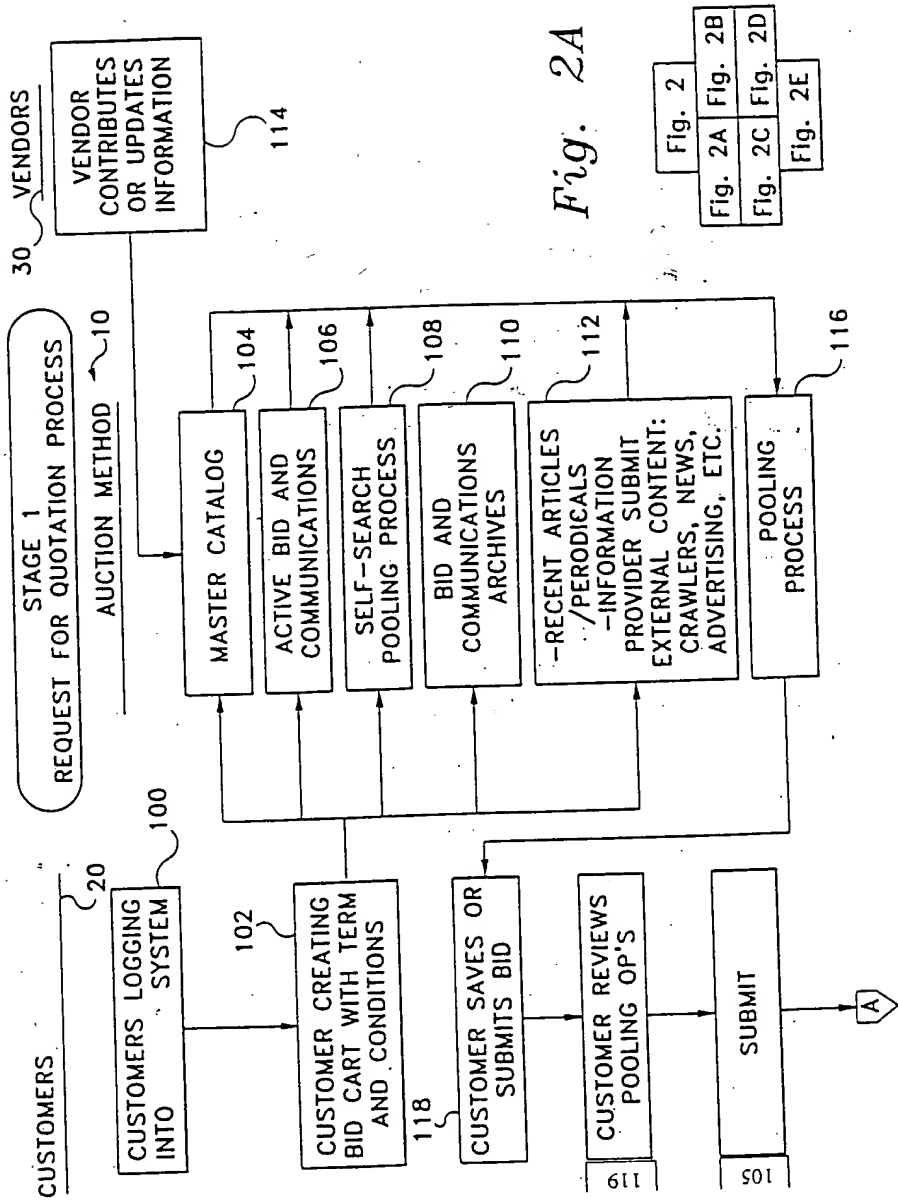


Fig. 2A

Fig. 2	Fig. 2A	Fig. 2B
	Fig. 2C	Fig. 2D
		Fig. 2E

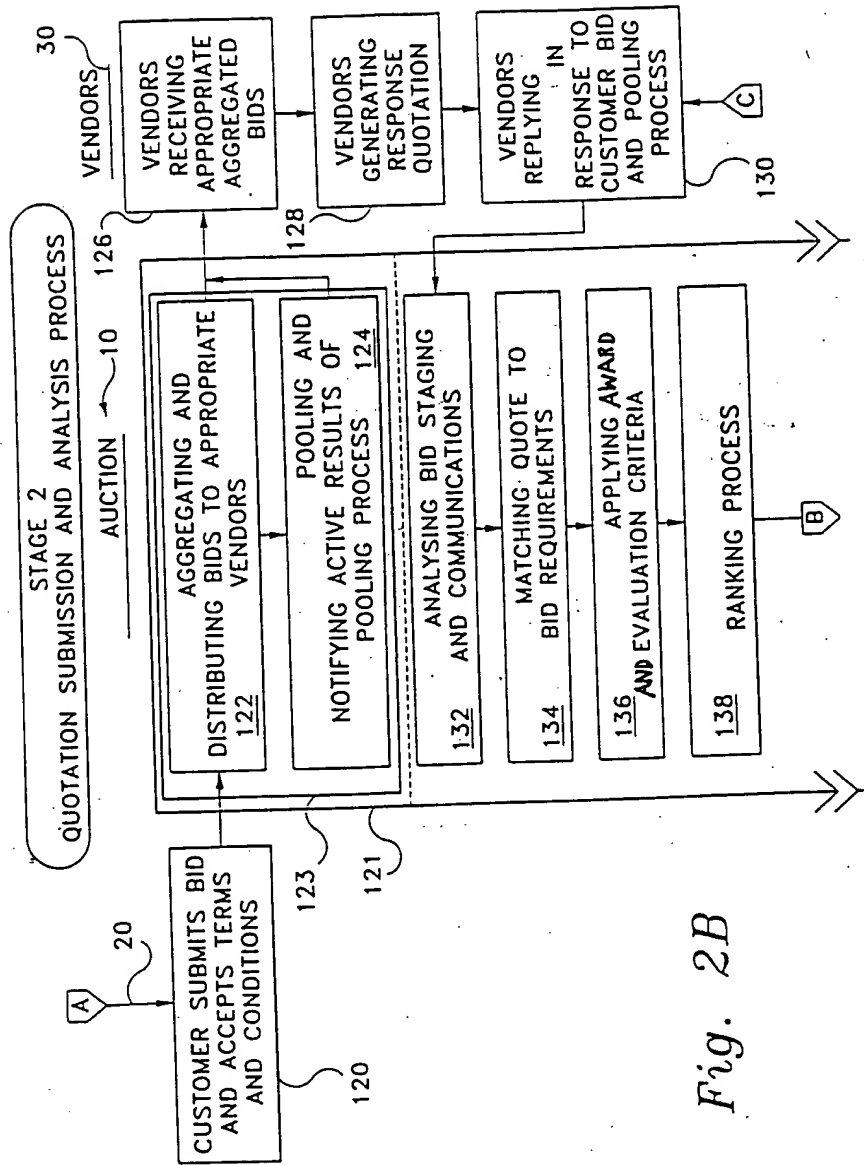


Fig. 2B

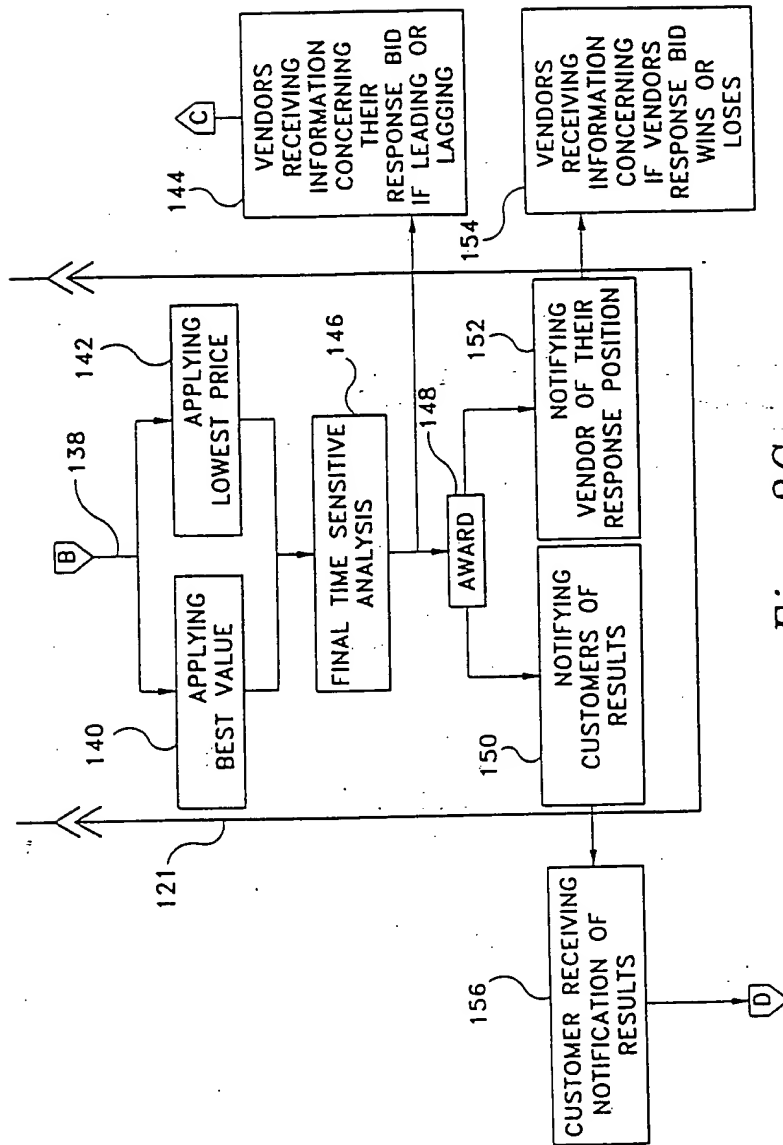
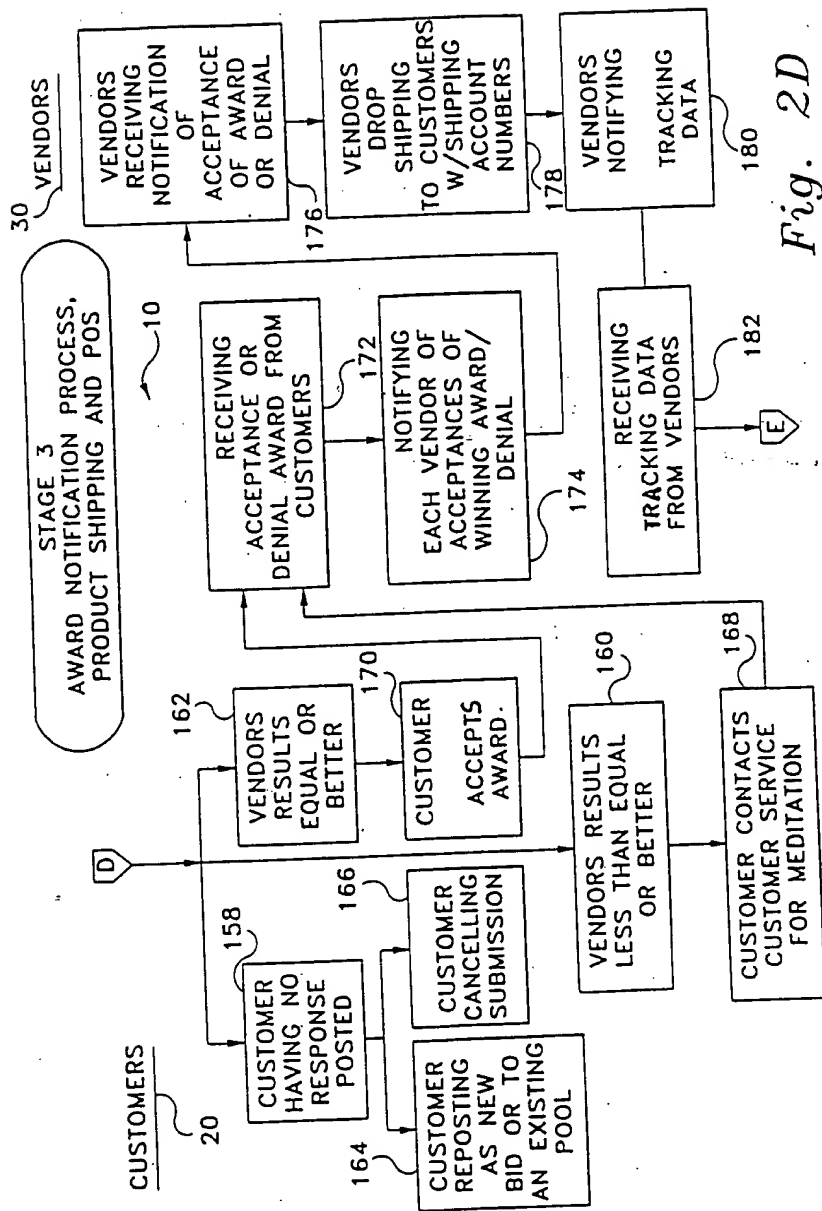


Fig. 2C



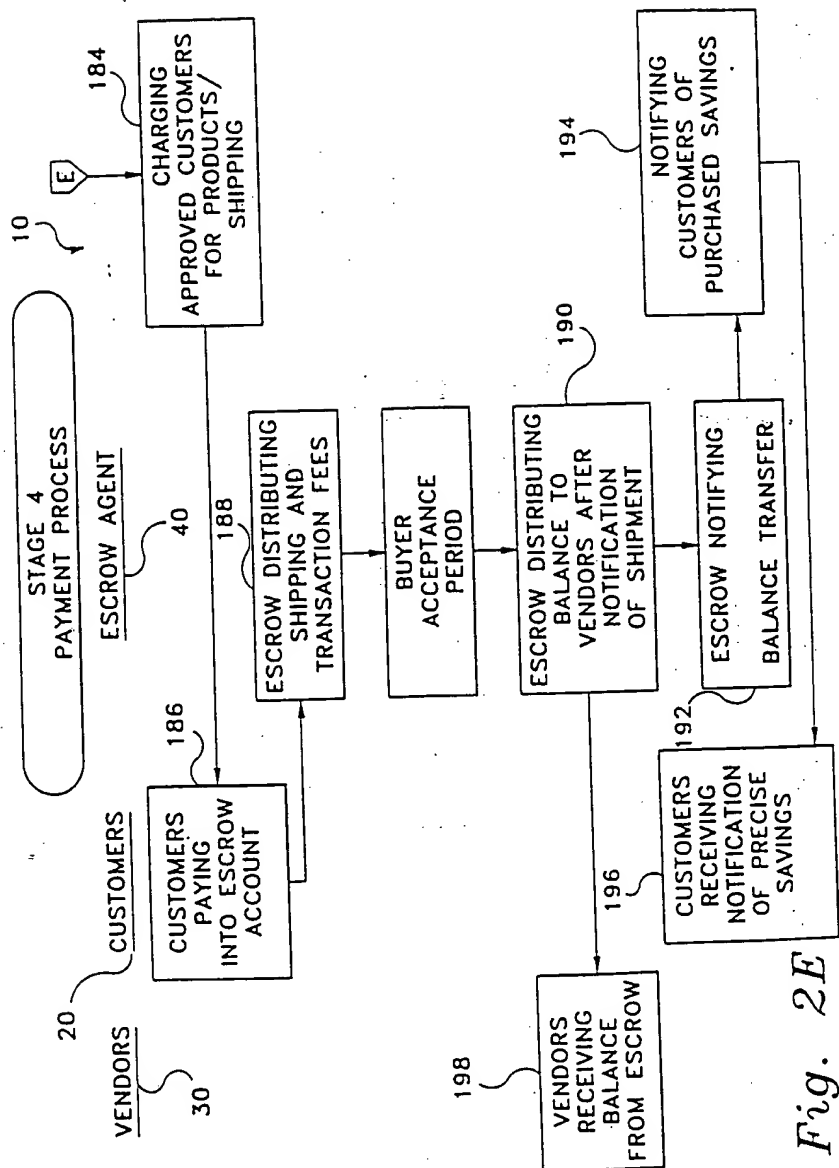


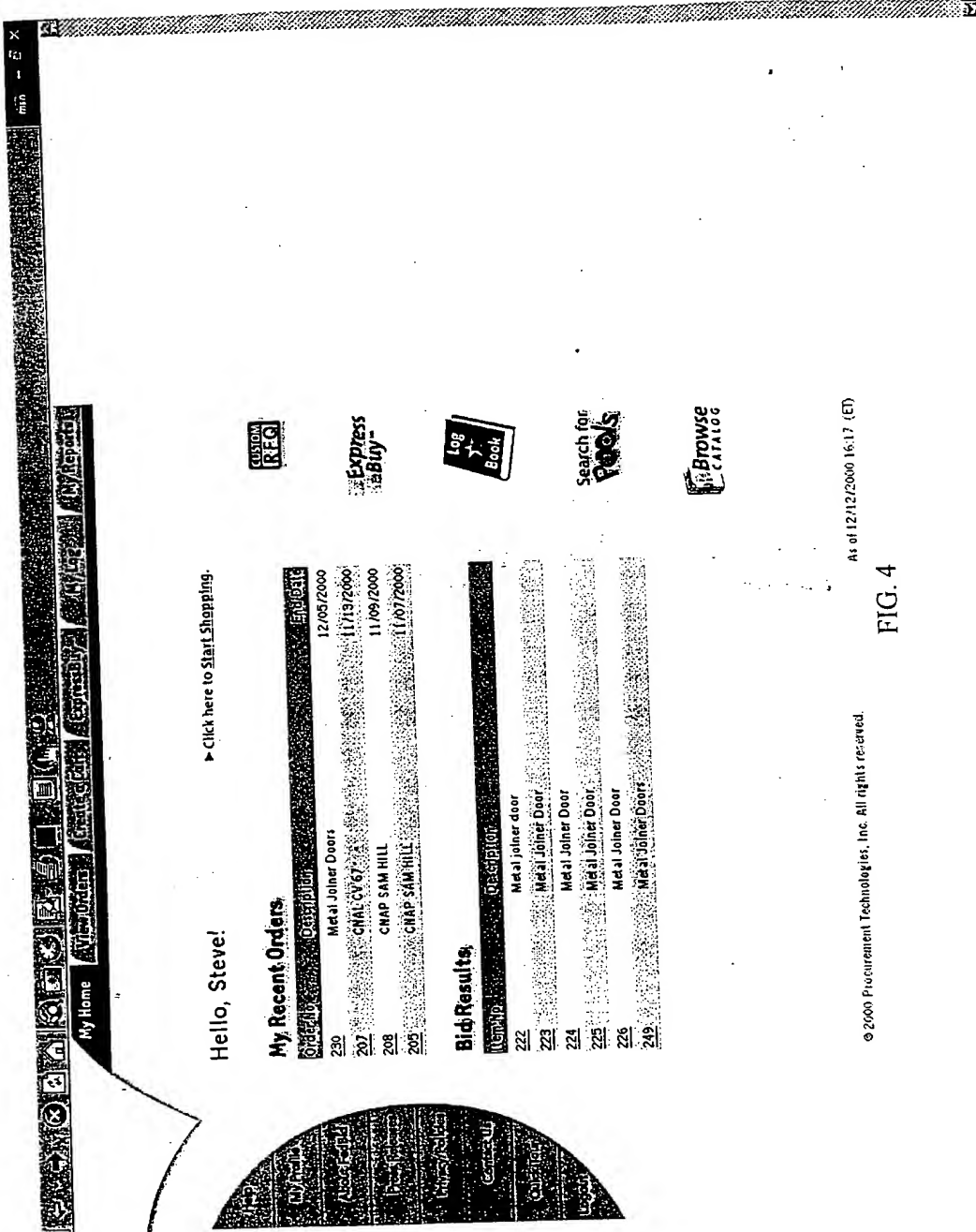
Fig. 2E

Nelcom

Sample Case Studies

Case 1	
8/30, 11:15 am	Department of Transportation cardholder submits request for 15 printers Target price: \$661 per unit, per GSA
9/1, 5:00 pm	Auction closes: 47 vendors have bid Result: unit price down to \$635, delivered
Stats:	1 request, 30 hours, 47 bids, 4% savings over GSA price
Total Savings	\$390
Case 2	
8/31, 2:23 pm	An Air Force cardholder submits a request for tape cartridges
9/1, 5:00 pm	Auction closes: 19 vendors have bid Result: price per tape down to 37% below Target Price.
Stats:	1 request, 26 hours, 19 bids, 37% savings
Total Savings	37%
Case 3	
9/1, 10:00 am	An auction request from a Department of Transportation cardholder initiates a competition between two major PC manufacturers for 23 high-end desktop PCs.
9/5, 10:00 am	Target Price: \$2030 per unit.
9/5, 12:00 pm	Leading bid: \$1684 per unit.
	Auction closes: 2 top vendors have engaged in a spirited bidding war.
	Result: leading bid price down to \$1444 per unit, delivered—28% below Target Price.
Stats:	1 request, 48 business hours, 28% savings
Total Savings	\$13,478
Case 4	
Day 1	A State Department cardholder requests a FedBid.com auction for a Lexmark printer. A non-FedBid.com vendor has quoted a manufacturer-sponsored trade-in discount of \$2165 that would require the cardholder to turn in the printer it's now using.
24 hrs later	Auction result: price down to \$2117, delivered, with no trade-in.
Stats:	1 request, 24 hours, 13 bids, winning price beats trade-in price
Total Savings	value of retained printer plus \$48

FIG. 3



► Click here to Start Shopping.

Hello, Steve!

My Recent Orders

Order ID	Description	Expire
230	Metal Joiner Doors	12/05/2000
207	CHAL CV 67	11/19/2000
208	CHAP SAM HILL	11/09/2000
209	CHAP SAM HILL	11/07/2000

Bid Results

Item ID	Description	Quantity
222	Metal joiner door	
223	Metal Joiner Door	
224	Metal Joiner Door	
225	Metal Joiner Door	
226	Metal Joiner Door	
249	Metal Joiner Door	

FIG. 5

My Credit Card Log

Credit Card No. 20511 (Last 5 Digits)

01/01/2000 - 01/01/2001

Old Order	Card Number	Description	Vendor (Company, Address, Phone)	Grade Type	Unit Price	Quantity	Unit Price	Date Billed	Amount Billed	Date Paid	Amount Paid
Modify	10/26/2000	201	Digital Camera, Carrying Case, and (3) Smart Cards	GOUPACE, Sean Burke, 8883088802	8(A) Firm, Minority-owned, Small Business, Veteran-owned, Women-owned	\$1,010.94	1	\$1,010.94	10/26/2000	\$1,010.94	10/31/2000
Modify	11/07/2000	220	SYSTEM SHOCK PROOF HARD CASE FOR C30303 DIGITAL CAMERA	DESKTOPS BY DESIGN, Lear Fraiter, 3017752909, 3019222854		\$43.34	1	\$43.34	11/07/2000	\$43.34	
Modify	11/13/2000	227	AA NIMH BATTERY PACK WITH CHARGER	USA SUPPLY, Patrick Boylan, 9728892867	8(A) Firm, Minority-owned, Small Business, Veteran-owned, Women-owned	\$53.62	1	\$53.62	11/13/2000	\$53.62	

Item Details for Item No. 249

Order No.: 230
Description: Metal Joiner Doors
Category: SUPSHIP
Subcategory: Metal Doors
Internal Ref. No.:
Manufacturer: Various
Mfr. ID No.: 804.1648655 LH
Target Price/Unit:** \$1200.0
Qty.: 15
End Date: 12/05/2000
End Time: 18:00
Vendor Type: All Vendors
****Includes domestic shipping & handling**

Award Criteria:

Price	100
Features	0
Risk Rating *	0
Warranty	0

*Source: D&B

Evaluation Criteria: Exact Match Only

General Information
Manufacturer DWG # 5959320
Delivery Method FOB Destination
Delivery Date 6 - 8 weeks ARO
Dimensions 26 x 66
Document # IN2793 0292 K006
Part # 804.1648655 LH
hold back hook and bumper with IAW DWG 804 5959320
kick plates with kick plates
latches with latches
door knobs no keyed door knobs
push plates with push plates
Rotan Hinges with Rotan Hinges

FIG. 6

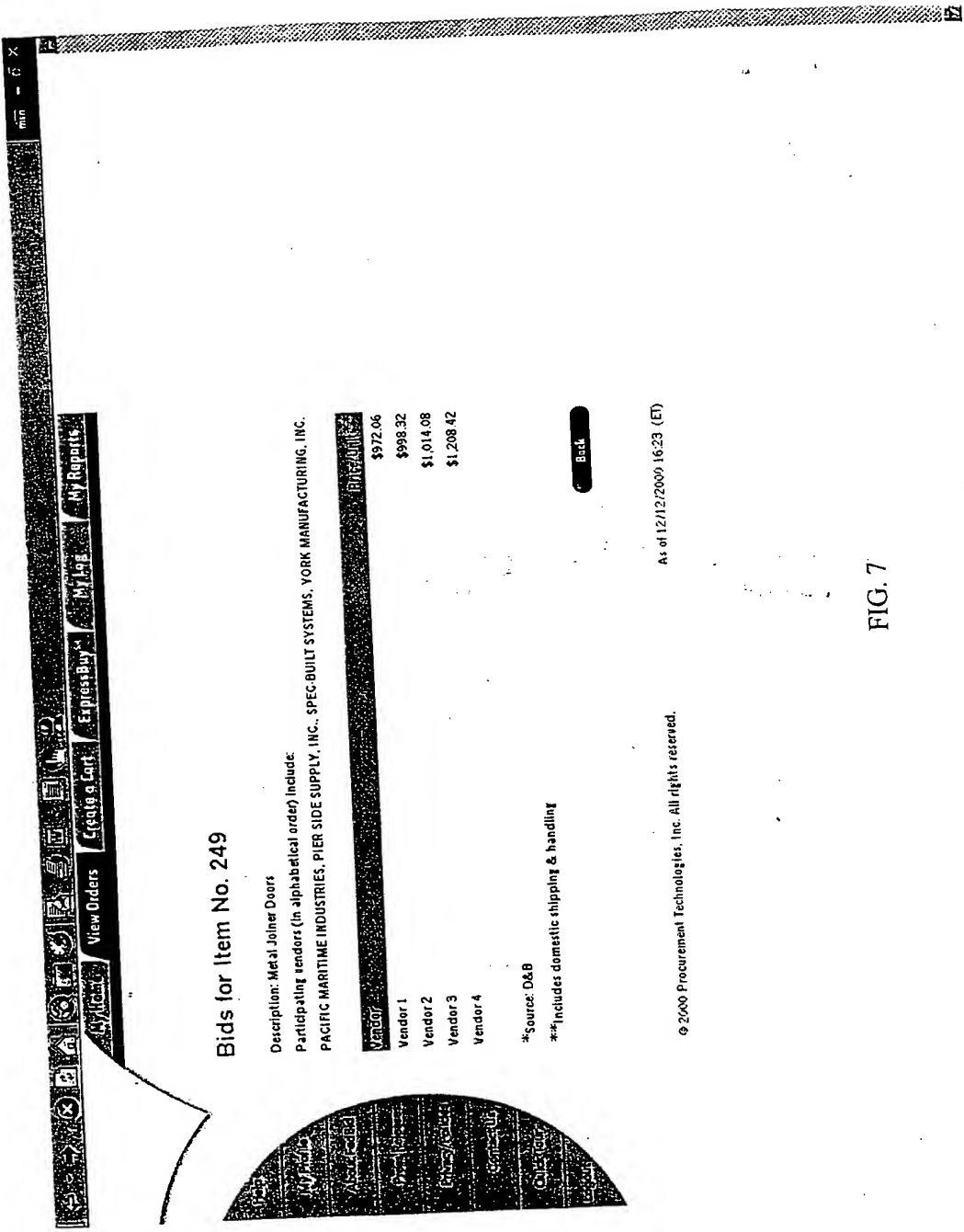


FIG. 7

✕
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11

- Home
- My Profile
- About Us
- Press Releases
- Press Photos
- Contact Us
- Office Tour
- Logout

Manufacturer:	SUPSHIP	Manufacturer:	804.1642434RH
Category:	Metal Doors	Mfr. ID No.:	Exact Match Only
Subcategory:	Metal Joiner door	Evaluation Criteria:	Best Price
Description:	3	Award Criteria:	
Quantity:	3		
Max Tareel Price:	\$2,400.00		

My Target Price: \$2,400.00

Award Criteria (weight %)	Price: 100	Features: 0	Risk Rating*: 0	Warranty: 0
---------------------------	------------	-------------	-----------------	-------------

[illegible]

Feature	Criterion 1	Criterion 2
26 x 75	Not Specified	
PN Type C 804 164243RH	Not Specified	
With Kick Plates	Not Specified	
With Latches	No keyed door knobs	
With Push Plates	Not Specified	
With back hook and bumper	IAW DWG 804 5959320	
type c	Not Specified	
with rotan hinge	Not Specified	

[illegible]

Part	Qty	Unit Price	Total Cost
Lat 5011	3	\$709.44	\$2,128.32

FIG. 8



Create a Cart

Description:

Cars for DLA MIS Staff

Select Vendor Type(s) or BPA Order

☒ All Vendors

Vendor Type:

☐ Non-BPA orders, select all that apply

☐ Small Business Enterprise

☐ Woman-Owned Business Enterprise

☐ 8(a)

☐ Minority-owned Business Enterprise

☐ Veteran-Owned Business Enterprise

☐ Disabled Veteran-Owned Business Enterprise

☐ Other

End Date:

☐ December 13, 2000

☐ December 14, 2000

☐ December 15, 2000

☐ December 16, 2000

☐ December 17, 2000

☐ December 18, 2000

☐ December 19, 2000

18:00 ET

End Time:

Internal Reference No. 1234567AA-00

(i.e. Government order number, requisition number, etc.)

* optional

How would you like vendors to respond to your specifications?

Exact Match Only

Meet or Exceed

Award Criteria: Best Price

In 'Best Price' auctions bids are ranked according to price. 'Best Value' bid responses are evaluated according to the weight you assign four variables—Price, Features, Risk and Warranty. For more information or to change the Award Criteria to 'Best Value', click on the 'Best Value' button below.

Best Value

Reset

Continue

FIG. 9

As of 12/12/2000 16:31 (ET)



Best Value

FedBid.com's 'Best Value' engine evaluates bid responses by four variables—Price, Features, Risk, and Warranty—that the buyer weights. Rate the importance of each category by assigning it a percentage value (total should be 100 percent). FedBid.com uses a proprietary Best Value Algorithm to generate an unbiased measure of the benefits associated with a particular product or service. A Best Value score is calculated for each of the factors, then totaled. Bids from each vendor are ranked by total Best Value score.

Price	<input type="text" value="50"/>	%	'Price' refers to the final award price per item. Assigning percentage points here increases the likelihood of obtaining an award item with the lowest price.
Features	<input type="text" value="25"/>	%	'Features' refers to feature specifications. Assigning percentage points here increases the likelihood of obtaining an award item with features that exceed the original specifications.
Risk	<input type="text" value="25"/>	%	'Risk' refers to vendor's Dun & Bradstreet ratings. Assigning percentage points here increases the likelihood of finding a low-risk vendor.
Warranty	<input type="text" value="0"/>	%	'Warranty' refers to a seller's standard limited warranty provisions and warranty term. Assigning percentage points here increases the likelihood of obtaining a longer warranty period.

*Source: D&B

Back

Continue

FIG. 10

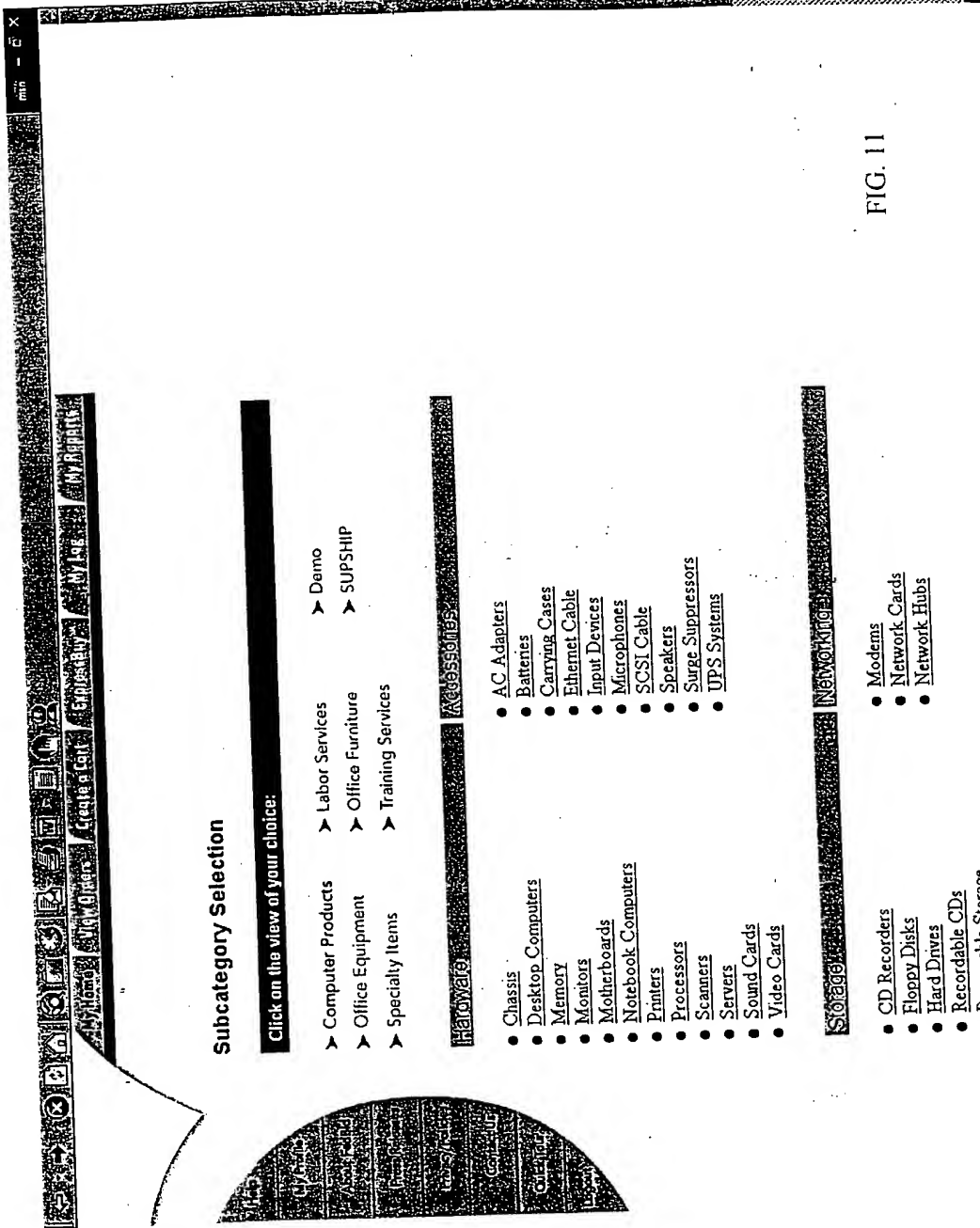


FIG. 11



Subcategory Selection

Click on the view of your choice:

- Computer Products
- Labor Services
- Office Equipment
- Office Furniture
- Specialty Items
- Training Services
- Demo
- SUPSHIP

Utilities

- [Aerospace](#)
- [Automotive](#)
- [Construction](#)
- [Energy](#)
- [Engineering](#)
- [Environmental](#)
- [Facilities Management](#)
- [Financial](#)
- [Information Technology](#)
- [Manufacturing/Packaging](#)
- [Medical/Health Care](#)

Consumables

- [Aerospace](#)
- [Automotive](#)
- [Construction](#)
- [Energy](#)
- [Engineering](#)
- [Environmental](#)
- [Facilities Management](#)
- [Financial](#)
- [Information Technology](#)
- [Manufacturing/Packaging](#)
- [Medical/Health Care](#)

FIG. 12



Home Add to Cart Shipping Add to Favorites

My Selection

Qty:	10
Description:	Four Door Sedan
Manufacturer*:	Not Specified
Mnfr. ID No.*:	Not Specified
Target Price/Unit**:	\$ 22000

*optional

**includes domestic shipping & handling

Feature	Value	Action
Engine Class - Fuel Type	Unleaded Gasoline	Delete
Engine Capacity	V-6	Delete
Transmission Type	Automatic	Delete
Break Systems	Anti-lock Break System (ABS)	Delete
Color	Not Specified	Delete
Environmental Control	Air Conditioning & Heating	Delete
Warranty	5yr/50,000 Miles	Delete
Number of Doors	Four Door	Delete
Power Accessories	Windows & Locks	Delete
Country of Origin	USA	Delete
Delivery Requirement	No Partial Deliveries	Delete
Delivery Due Date	COB 01-30-01	Delete

To add new features, click here

Add feature



My Item Detail Report

Item No.: 220

SYSTEM SHOCK PROOF HARD CASE FOR C30303 DIGITAL CAMERA

Description: N627630307-0530

Internal Ref. No.: 20511

Credit Card No. (last 5 digits)

Unit Price: \$43.34

Qty.: 1

Total Price: \$43.34

Selected Vendor: DESKTOPS BY DESIGN

Vendor Type: Small Business, Woman-owned

Vendor CAGE Code:

Vendor DUNS No.:

Date Billed: 11/07/2000

Date Received:

Top Bids

Vendor: \$43.34

DESKTOPS BY DESIGN

BITS N BYTES AMERICA

\$43.34

\$51.79

Back

New Report

Download Report

Click here to download a comma-delimited file that can be imported into a spreadsheet application.

As of 12/12/2000 16:51 (ET)

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FIG. 14

FIG. 15



Bid Results for Pool 245

Metal Joiner Doors

Your Bid Status: Lost

For your convenience, the details of the winning bid are listed below. Please check Request for Bids for additional opportunities. Thank you for using FedBid.com.

Category: Computers
 Subcategory: Metal Doors
 Evaluation Criteria: Exact Match
 Quantity: 15
 End Date: 12/03/2000
 End Time: 18:00 ET

Winning Bid
 Manufacturer: Various
 Mfr. ID No.: 10-48655p
 Warranty: 12
 Max Qty.: 50

Product Cost/Unit: \$025.00
 FedBid Fee/Unit: \$27.75
 Credit Card Fee/Unit: \$10.31
 Winning FedBid/Unit: \$972.06

Board Criteria: Bid Price: 100
 Price:
 Features:
 Risk Rating:
 Warranty (Months):
 *Source: D&B

Winning Bidder: 10-48655p
 Manufacturer: Various
 Mfr. ID No.: 10-48655p
 Warranty: 12
 Max Qty.: 50

Document #
 H82703-0292-H008
 P in #
 804-10-48655p
 no keyed door knobs
 door knobs
 with Jaw DWG 804-
 5056320
 with kick plates

Bid Spec
 Meet
 H82703-0292-H008
 804-10-48655p
 no keyed door knobs
 Meet
 with Jaw DWG 804-
 5056320
 with kick plates

FIG. 16



Your Bid Status: Won
No. of Units Accepted: 0

Bid Results for Pool 218

Metal Joiner door

Congratulations! You have the winning bid for Pool 218. You will receive a separate P.O. by email for each order within the pool, upon acceptance of the bid by the customer(s). The P.O. will include details such as quantity and delivery information. In addition, you may view shipping addresses, as they become available, by clicking on the 'shipping' button at the bottom of this page.

Category: Computers
Subcategory: Metal Doors
Evaluation Criteria: Exact Match

Quantity: 3
End Date: 11/13/2000
End Time: 18:00 ET

Winning Bid

Manufacturer: Various
Mfr. ID No.: ymld59320-cin
Warranty: 3
Max Qty.: 100

Product Cost/Unit: \$875.00
FedBid Fee/Unit: \$20.25
Credit Card Fee/Unit: \$14.10

Winning FedBid/Unit: \$709.44

Award Criteria: Best Price

Price: 100
Features: 0
Risk Rating*: 0
Warranty (Months): 0
*Source: D&B



Feature Comparison

28 x 75
Pool Type: C 80.4
18-42-39H

Bid Spec

Meet Not Specified
Meet Not Specified

FIG. 17

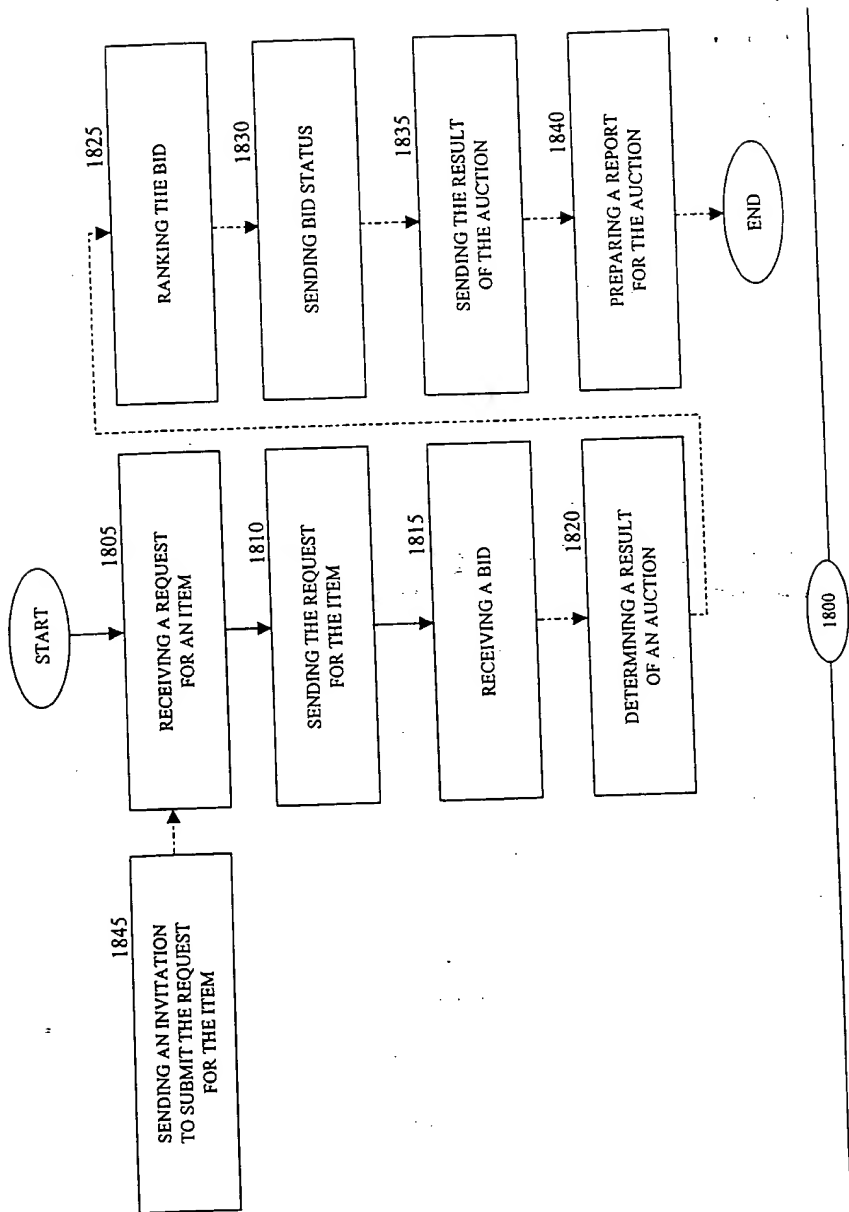


FIG. 18

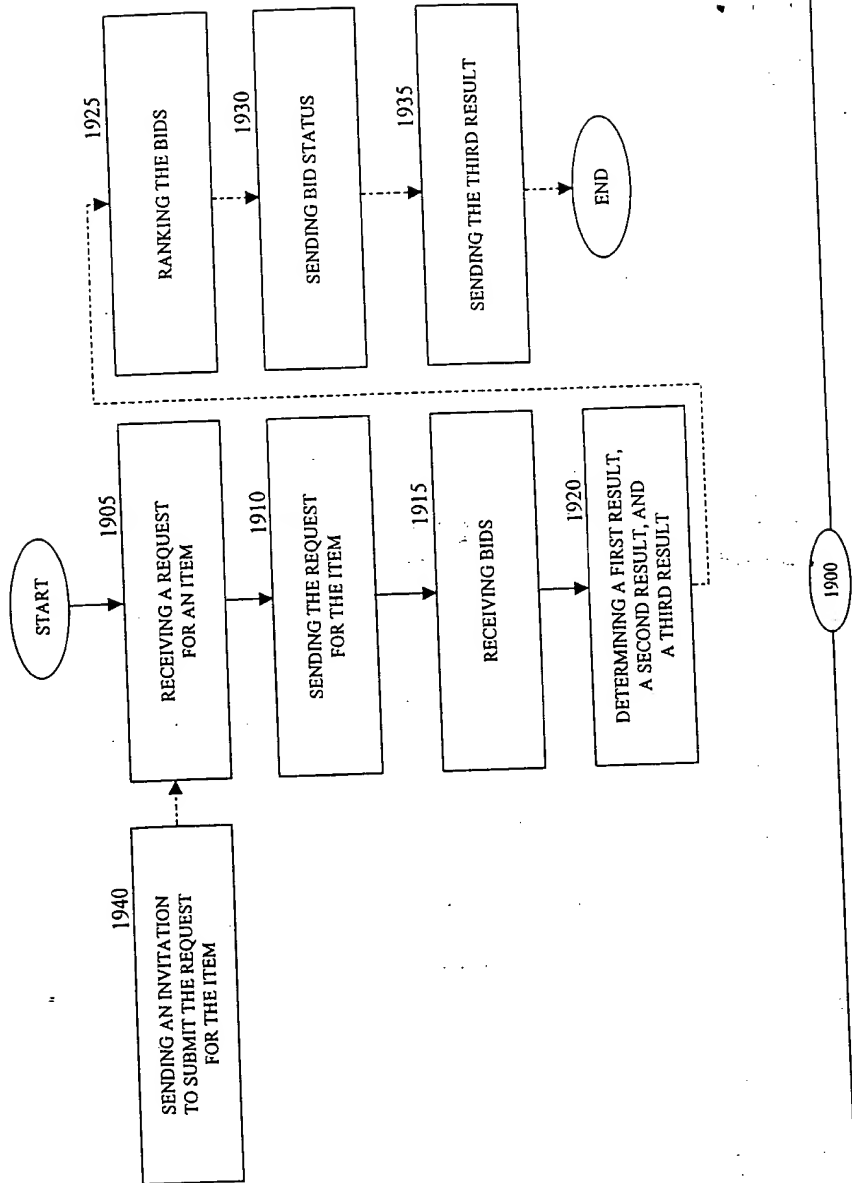
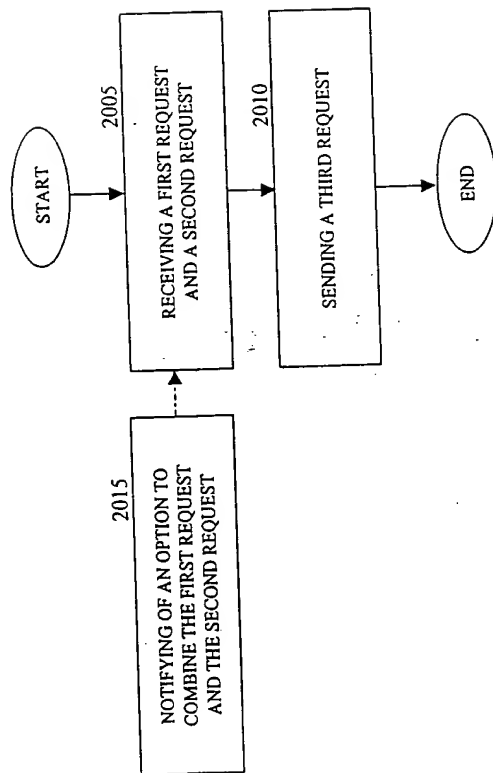


FIG. 19



2000

FIG. 20

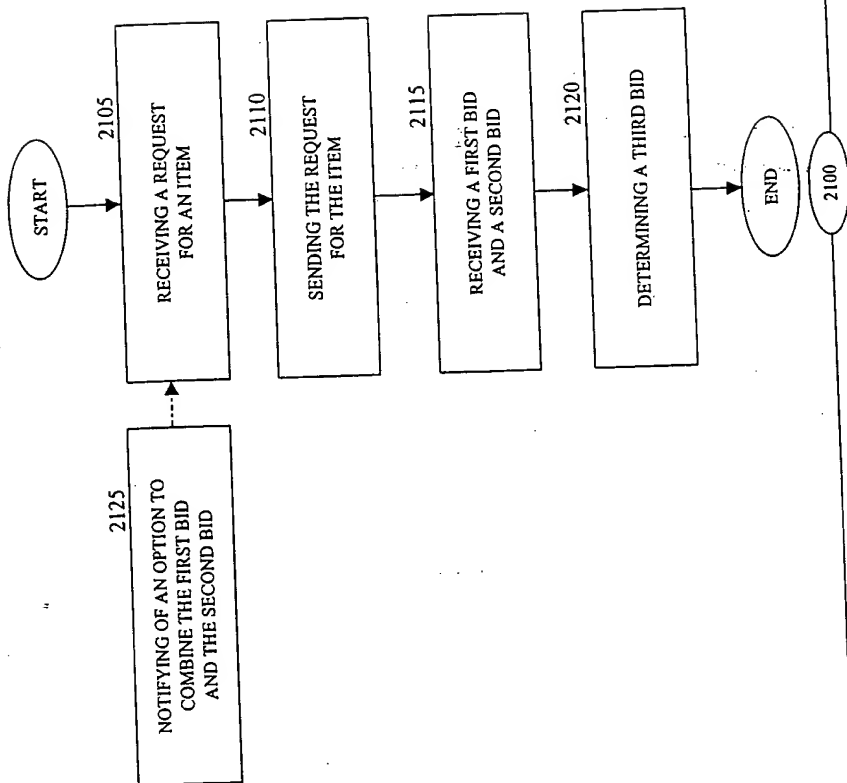


FIG. 21

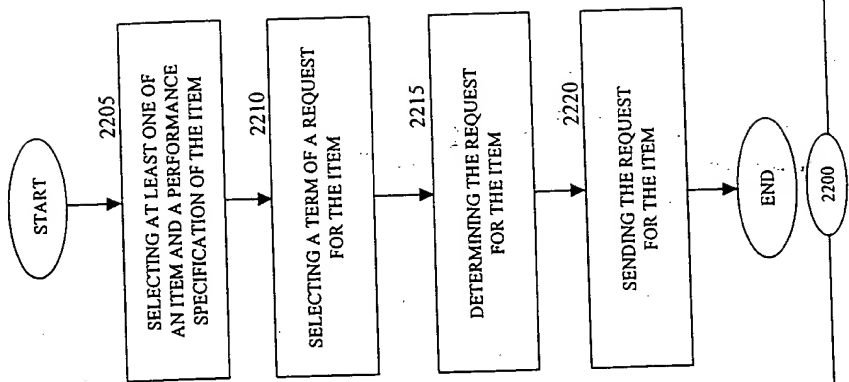
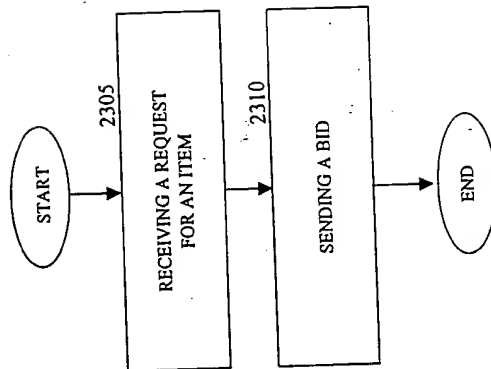
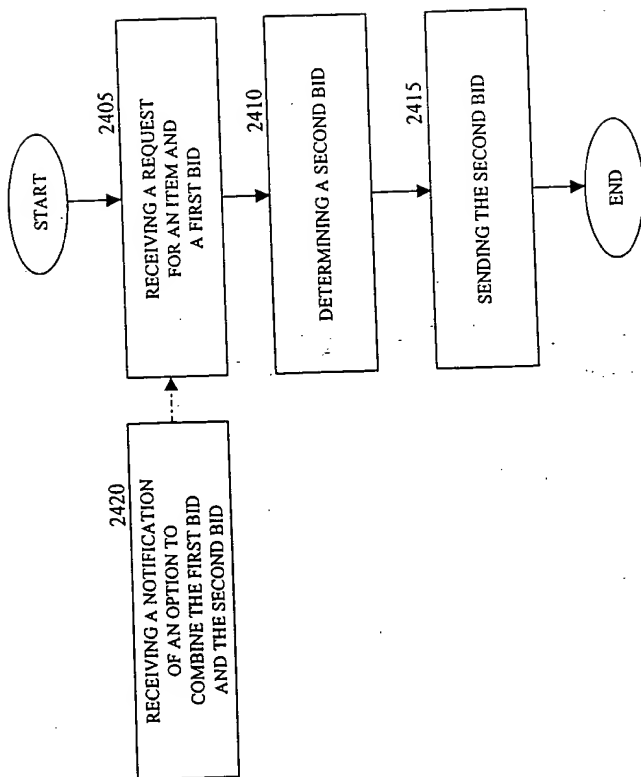


FIG. 22



2300

FIG. 23



2400

FIG. 24

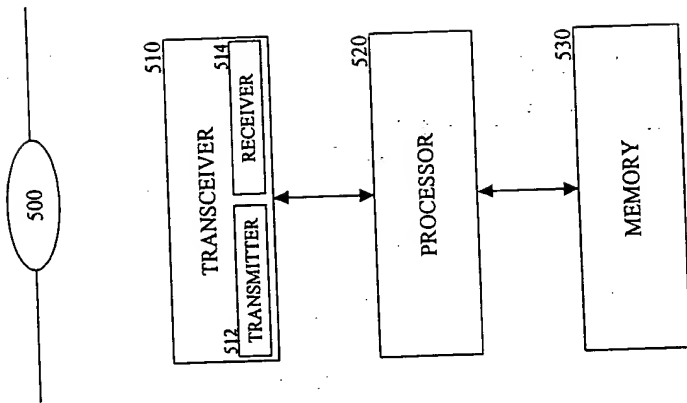


FIG. 25

600

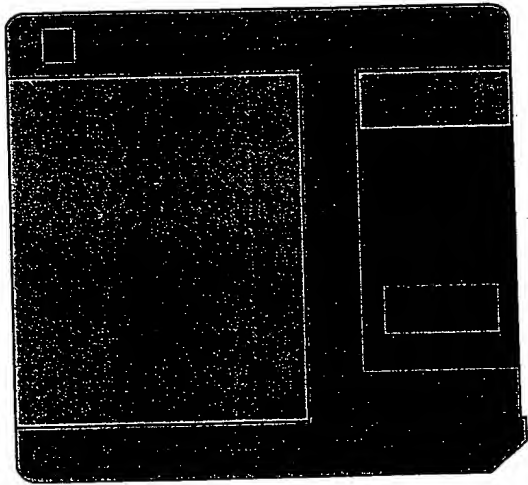


FIG. 26

EXHIBIT B

**CERTIFIED MAIL RECEIPTS FOR THE LETTER, APPLICATION AND DECLARATION
SENT TO EACH OF MESSRS. FUSTER, BANDA AND SCHAFFNER**

Z 205 110 578

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Mr. Frank D. Banda	
Street & Number	
2107 Carter Mill Way	
Post Office, State, & ZIP Code	
Brookeville, MD 20833	
Postage	\$ 3.95
Certified Fee	1.90
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.50
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 7.35
Postmark or Date	

PS Form 3800, April 1995

Z 205 110 571

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Mr. Jorn M. Schaffner	
Street & Number	
12104-H Maple Forest Court	
Post Office, State, & ZIP Code	
Fairfax, VA 22030	
Postage	\$ 3.95
Certified Fee	1.90
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	150
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 7.35
Postmark or Date	

PS Form 3800, April 1995

Z 205 110 579

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Mr. Felipe J. Fuster	
Street & Number	
14309 Cervantes Avenue	
Post Office, State, & ZIP Code	
Darnestown, MD 20874	
Postage	\$ 3.95
Certified Fee	1.90
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.50
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$7.35
Postmark or Date	

PS Form 3800, April 1995

EXHIBIT C

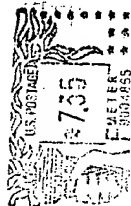
ENVELOPE FOR THE LETTER, APPLICATION AND DECLARATION SENT TO MR.

BANDA

CERTIFIED

Z 205 110 578

MAIL



FIRST CLASS MAIL



PILLSBURY WINTHROP LLP

Mr. Frank D. Baida
2107 Carter Mall Way
Brookeville, MD 20833

1100 NEW YORK AVENUE, N.W. NINTH FLOOR, EAST TOWER WASHINGTON, D.C. 20005-3918

UNCLAIMED

UNCLAIMED

1100 NEW YORK AVENUE, N.W. NINTH FLOOR, EAST TOWER WASHINGTON, D.C. 20005-3918

FIRST CLASS

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re PATENT APPLICATION of

CANALI et al.

Group Art Unit: 2151

Appln. No.: 09/784,330

Examiner: Unknown

Filed: February 16, 2001

Title: AUCTION BASED PROCUREMENT SYSTEM

* * * * *

September 27, 2001

DECLARATION OF BRENDAN B. WALSH

Hon. Commissioner of Patents
and Trademarks
Washington, D.C. 20231

Sir:

I, BRENDAN B. WALSH, declare that:

1. I am an inventor and applicant of the above-identified patent application.

2. On information and belief, Felipe J. Fuster, Frank D. Banda, Jorn M. Schaffner, Luigi J.F. Canali, Stephen D. Candelmo, Gail M. Bergantino and Michael R. Hasslinger are other joint inventors of the invention disclosed and claimed in the patent application.

3. Inventors Luigi J.F. Canali, Stephen D. Candelmo, Gail M. Bergantino, Michael R. Hasslinger and myself have signed a Rule 63 Declaration for the patent application.

4. On information and belief, Dale S. Lazar of the law firm of Pillsbury Winthrop LLP had a copy of the patent application along with a copy of the Rule 63 Declaration sent by certified mail on April 23, 2001 to Messrs. Fuster, Banda and Schaffner for their review and execution by letter dated April 16, 2001. A copy of the letter, application and Declaration sent to

Messrs. Fuster, Banda and Schaffner is attached as Exhibit A. On information and belief, the letter was addressed to the first inventor Luigi J.F. Canali and sent, along with the application and Declaration, by carbon copy (see page 2 of the letter dated April 16, 2001) to the last known address of each of Messrs. Fuster, Banda and Schaffner.

5. On information and belief, having learned that the letter, patent application and Declaration sent by certified mail to Mr. Banda had been returned undelivered to Pillsbury Winthrop LLP, I re-sent on or about July 17, 2001 by Federal Express the letter, the patent application and the Declaration to Mr. Banda at his work address as follows:

Mr. Frank Banda
Software Performance Systems, Inc.
2011 Crystal Drive, Suite 710
Arlington, Virginia 22202
U.S.A.

A copy of the Federal Express receipt for the letter, application and Declaration sent to Mr. Banda is attached hereto as Exhibit B.

6. Having not received the executed papers from Mr. Fuster, I contacted him on July 17, 2001 by e-mail at the e-mail address pfuster@bid4assets.com. After exchanging several e-mails, Mr. Fuster informed me by e-mail on August 6, 2001 that he would not sign the Declaration. Mr. Fuster wrote that he feels "that there is neither reason nor incentive for [him] to sign the patent document." To date, on information and belief, Mr. Fuster remains unwilling to execute the Declaration. A copy of the e-mail exchange between Mr. Fuster and myself regarding the Declaration, including the e-mail of August 6, 2001 from Mr. Fuster declining to sign the Declaration, is attached as Exhibit C.

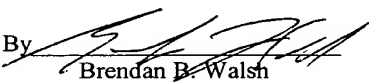
7. Having not received the executed papers from Mr. Banda, I contacted him on August 6, 2001 by e-mail at the e-mail address fbanda@gosps.com. Mr. Banda informed me by return e-

mail on August 6, 2001 that he had received the letter, patent application and Declaration sent by Federal Express and that he would not sign the Declaration. Mr. Banda wrote that he does not feel "there is any incentive for signing the documents..." To date, on information and belief, Mr. Banda remains unwilling to execute the Declaration. A copy of the e-mail exchange between Mr. Banda and myself regarding the Declaration is attached as Exhibit D.

8. Having not received the executed papers from Mr. Schaffner, I contacted him by telephone on several occasions in July, 2001 regarding whether he would sign the Declaration. I also personally met with him on September 20, 2001 and provided him another copy of the letter, patent application and Declaration. And, on September 21, 2001, he sent me an e-mail regarding his signing of the Declaration, a copy of which is attached as Exhibit E. On several of the occasions I met with Mr. Schaffner and as stated in his e-mail of September 21, 2001, he indicated he would sign the Declaration yet however he has not supplied a signed Declaration for submission to the U.S. Patent Office. To date, on information and belief, Mr. Schaffner has not signed the Declaration and despite statements to the contrary, seems unwilling to sign the Declaration.

I declare further that all statements made herein of my own knowledge are true, and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issuing thereon.

By


Brendan B. Walsh

Date:

9.27.01

EXHIBIT A

LETTER DATED APRIL 16, 2001, PATENT APPLICATION AND DECLARATION SENT
TO MESSRS. FUSTER, BANDA AND SCHAFFNER



PILLSBURY WINTHROP LLP

1100 NEW YORK AVENUE NW NINTH FLOOR WASHINGTON, DC 20005-3918 202.861.3000 F: 202.822.0944

April 16, 2001

Mr. Luigi J.F. Canali
14209 Cervantes Avenue
Darnestown, MD 20874

Dale S. Lazar
202.861.3527
dlazar@pillsburywinthrop.com

Re: U.S. Patent Application of CANALI et al.
Entitled: AUCTION BASED PROCUREMENT SYSTEM
Appln. No. 09/784,330
Filed: February 16, 2001
Our Reference No.: 027396/0278080

Dear Mr. Canali:

Enclosed for your records is a copy of the above-identified patent application including specification, claims and drawings filed with the United States Patent and Trademark Office (USPTO) on February 16, 2001.

Enclosed also is a declaration mailed to all inventors to be signed and dated. Hence, please sign, date, and return to us the enclosed declaration. Once we receive the signed and dated declarations from you and the other inventors, we will then file each of the declarations in the U.S. Patent and Trademark Office.

Moreover, USPTO Rules 56, 97 and 98 require disclosure of prior art known to be material to patentability and encourage the filing of an "Information Disclosure Statement" within three months of the filing date. This provides a means of complying with the duty of disclosing prior art as required by Rule 56. For a stronger resulting patent, and to avoid the defense by an infringer that the USPTO was misled by failure to disclose known prior art, any relevant reference should be promptly filed in the USPTO. Failure to timely cite material prior art or related cases could result in the patent being held unenforceable for lack of candor.



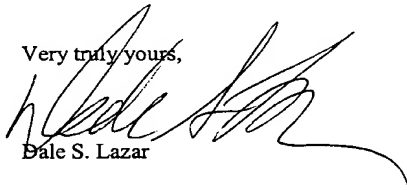
PILLSBURY WINTHROP LLP

Luigi J.F. Canali
April 16, 2001
Page 2

Accordingly, please provide us all prior art of which you or the other inventors are aware. Preferably, we should file this prior art within three months of the application filing date. Also, if you subsequently become aware of any prior art, we will need to disclose that prior art to the USPTO as well, within three months of your becoming aware of it.

If you have any questions or comments regarding this matter, please do not hesitate to contact me.

Very truly yours,



Dale S. Lazar

DSL/WGB
Encls.

cc: Mr. Stephen P. Candelmo - w/encls.
Mr. Felipe J. Fuster - w/encls.
Mr. Frank D. Banda - w/encls.
Mr. Brendan B. Walsh - w/encls.
Ms. Gail M. Bergantino - w/encls.
Mr. Jorn M. Schaffner - w/encls.
Mr. Michael J. Hasslinger - w/encls.

30168512V1

ORIGINAL/SUBSTITUTE/SUPPLEMENTAL
DECLARATIONSFOR PATENT APPLICATION
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

As a below named inventor, I hereby declare that my residence, post office address and citizenship are as stated below next to my name, and I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the **INVENTION ENTITLED AUCTION BASED PROCUREMENT SYSTEM**

the specification of which (CHECK applicable BOX(ES))
X ☐ is attached hereto.
BOX(ES) → B. ☒ was filed on February 16, 2001 as U.S. Application No. 09/784,330
→ C. ☐ was filed as PCT International Application No. PCT/ / on /
and (if applicable to U.S. or PCT application) was amended on /
I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment referred to above. I acknowledge the duty to disclose all information known to me to be material to patentability as defined in 37 C.F.R. 1.56. Except as noted below, I hereby claim foreign priority benefits under 35 U.S.C. 119(a)-(d) or 365(b) of any foreign application(s) for patent or inventor's certificate, or 365(a) of any PCT International Application which designated at least one other country than the United States, listed below and have also identified below any foreign application for patent or inventor's certificate, or PCT International Application, filed by me or my assignee disclosing the subject matter claimed in this application and having a filing date (1) before that of the application on which priority is claimed, or (2) if no priority claimed, before the filing date of this application:

PRIOR FOREIGN APPLICATION(S) Number	Country	Day/MONTH/Year Filed	Date first Laid- open or Published	Date Patented or Granted	Priority NOT Claimed
--	---------	----------------------	---------------------------------------	-----------------------------	----------------------

If more prior foreign applications, X box at bottom and continue on attached page.

Except as noted below, I hereby claim domestic priority benefit under 35 U.S.C. 119(e) or 120 and/or 365(c) of the indicated United States applications listed below and PCT international applications listed above or below and, if this is a continuation-in-part (CIP) application, insofar as the subject matter disclosed and claimed in this application is in addition to that disclosed in such prior applications, I acknowledge the duty to disclose all information known to me to be material to patentability as defined in 37 C.F.R. 1.56 which became available between the filing date of each such prior application and the national or PCT international filing date of this application:

PRIOR U.S. PROVISIONAL, NONPROVISIONAL AND/OR PCT APPLICATION(S) Application No. (series code/serial no.)	Day/MONTH/Year Filed	Status pending, abandoned, patented	Priority NOT Claimed
60/183,154	17 February 2000		

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

And I hereby appoint Pillsbury Winthrop LLP, Intellectual Property Group, 1100 New York Avenue, N.W., Ninth Floor, East Tower, Washington, D.C. 20005-3918, telephone number (202) 861-3000 (to whom all communications are to be directed), and the below-named persons (of the same address) individually and collectively my attorneys to prosecute this application and to transact all business in the Patent and Trademark Office connected therewith and with the resulting patent, and I hereby authorize them to delete names/numbers below of persons no longer with their firm and to act and rely on instructions from and communicate directly with the person/assignee/attorney/firm/ organization who/whom I first sends/sent this case to them and by whom/which I hereby declare that I have consented after full disclosure to be represented unless/until I instruct the above firm and/or a below attorney in writing to the contrary.

Paul N. Kokulis	16773	Kendrew H. Colton	30368	Roger R. Wise	31204	Anthony L. Miele	34393
G. Lloyd Knight	17698	G. Paul Edgell	24238	Michael R. Dzwonczyk	36787	Robert J. Walters	40862
Kevin E. Joyce	20508	Lynn E. Eccleston	35861	Jack S. Banufka	37087	Brian J. Beatus	38825
George M. Sirilla	18221	David A. Jakopin	32995	Adam R. Hess	41835	John Jobe	28429
Donald J. Bird	25323	Mark G. Paulson	30793	William P. Atkins	38821	Mark C. Pickering	36239
Dale S. Lazar	28872	Stephen C. Glazier	31361	Paul L. Sharer	36004	David H. Jaffer	32243
Glenn J. Perry	28458	Richard H. Zaitlen	27248	Robin L. Teskin	35030		

(1) INVENTOR'S SIGNATURE:

Date:

Luigi	J.F.	CANALI
First	Middle Initial	Family Name
Residence	Darnestown	MD
City	State/Foreign Country	Country of Citizenship
Mailing Address	14209 Cervantes Avenue, Maple Forest Court, Darnestown, MD	
(include Zip Code)	20874	

(2) INVENTOR'S SIGNATURE:

Date:

Stephen	P.	CANDELMIO
First	Middle Initial	Family Name
Residence	Bethesda	MD
City	State/Foreign Country	Country of Citizenship
Mailing Address	9950 Derbyshire Lane, Bethesda, MD	
(include Zip Code)	20817	

"X" box ☒ FOR ADDITIONAL INVENTORS, and proceed on the attached page to list each additional inventor.
☐ See additional foreign priorities on attached page (incorporated herein by reference).

Atty. Dkt. No. P027396

(M#) 0278080

DECLARATION AND POWER OF ATTORNEY
(continued)
ADDITIONAL INVENTORS

(3) INVENTOR'S SIGNATURE:

Date:

Felipe		J.	FUSTER
First		Middle Initial	Family Name
Residence	Damestown	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	14309 Cervantes Avenue, Harmony Woods Lane, Damestown, MD		
(include Zip Code)	20874		

(4) INVENTOR'S SIGNATURE:

Date:

Frank		D.	BANDA
First		Middle Initial	Family Name
Residence	Brookeville	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	2107 Carter Mill Way, Brookeville, MD		
(include Zip Code)	20833		

(5) INVENTOR'S SIGNATURE:

Date:

Brendan		B.	WALSH
First		Middle Initial	Family Name
Residence	Leesburg	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	43415 Turnberry Isle Court, Leesburg, VA		
(include Zip Code)	20176		

(6) INVENTOR'S SIGNATURE:

Date:

Gail		M.	BERGANTINO
First		Middle Initial	Family Name
Residence	Germantown	MD	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	18817 Harmony Woods Lane, Germantown, MD		
(include Zip Code)	20874		

(7) INVENTOR'S SIGNATURE:

Date:

Jon		M.	SCHAFFNER
First		Middle Initial	Family Name
Residence	Fairfax	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	12104-H Maple Forest Court, Fairfax, VA		
(include Zip Code)	22030		

(8) INVENTOR'S SIGNATURE:

Date:

Michael		J.	HASSLINGER
First		Middle Initial	Family Name
Residence	Reston	VA	U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address	1302 Sundial Drive, Reston, VA		
(include Zip Code)	20194		

(9) INVENTOR'S SIGNATURE:

Date:

First		Middle Initial	Family Name
Residence			U.S.
City		State/Foreign Country	Country of Citizenship
Post Office Address			
(include Zip Code)			

Rule 36(a) & (b) - 37 C.F.R. 1.36(a) & (b)
PATENT AND TRADEMARK CASES - RULES OF PRACTICE
DUTY OF DISCLOSURE

- (a) ...Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the [Patent and Trademark] Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability...(b) information is material to patentability when it is not cumulative and (1) It also establishes by itself, or in combination with other information, a prima facie case of unpatentability of a claim or (2) refutes, or is inconsistent with, a position the applicant takes in: (i) Opposing an argument of unpatentability relied on by the Office, or (ii) Asserting an argument of patentability

PATENT LAWS 35 U.S.C.

§102. Conditions for patentability; novelty and loss of right to patent

A person shall be entitled to a patent unless--

- (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent or
- (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, or
- (c) he has abandoned the invention, or
- (d) the invention was first patented or caused to be patented, or was the subject of an inventor's certificate, by the applicant or his legal representatives or assigns in a foreign country prior to the date of the application for patent in this country on an application for patent or inventor's certificate filed more than twelve months* before the filing of the application in the United States, or
- (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent, or
- (f) he did not himself invent the subject matter sought to be patented, or
- (g) before the applicant's invention thereof the invention was made in this country by another who had not abandoned, suppressed, or concealed it. In determining priority of invention there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.

§103. Condition for patentability; non-obvious subject matter

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made. . . .
- (c) Subject matter developed by another person, which qualified as prior art only under subsection (f) or (g) of section 102 of this title, shall not preclude patentability under this section where the subject matter and the claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person.

* Six months for Design Applications (35 U.S.C. 172).

Auction Based Procurement System

BACKGROUND

1. Field of the Invention

The present invention relates to network communications. More specifically, the present invention relates to an auction based procurement system.

2. Description of Background Information

Traditionally in the business world matching buyers and sellers is achieved through advertisement or word of mouth. This is usually followed by contacts between the buyers and sellers which sometimes includes lengthy negotiations and massive paper work. Volume trading procures discounts which are usually achieved in auctions by corporations or government entities ordering large volumes of products or services.

Added time and expenses are wasted on collecting, mining, processing, and modeling prior information from a huge selection of catalogs, trade publications, and directories. Normally this data is used to generate standard business reports and produce quantitative analyses on market trends. The above information is then correlated and analyzed to maximize savings through volume trading.

There are several types of auctions including sealed-bid auctions, ascending bid auctions, e-mail auction, seller-driven systems, and buyer-driven systems. Sealed-bid auctions are where the bidders in one single bidding round simultaneously and independently submit sealed bids to the auctioneer who then determines the auction outcome. Ascending-bid auctions are where the bidders are in a dynamic bidding process submitting bids in real-time until no more bids are forthcoming.

In e-mail auctions, an auction catalog is electronically mailed to people interested in bidding. Subsequently, bidders submit their bids on individual lots to an auctioneer via e-mail. A disadvantage to e-mail auctions are that a human auctioneer is required and it is

very difficult for the auctioneer to keep the bidders updated as to the current high bids on the various items.

A system is seller-driven in the sense that they focus on the methods and processes available to the seller, allowing him to price, package, or configure goods and services more effectively. The vast majority of retail purchases utilize seller-driven, fixed-price, non-
5 negotiable pricing protocols. The buyer does not find the seller, rather the seller attracts numerous buyers who, as a group, determine the final selling price.

A buyer driven system is where a buyer can exercise more control over the terms and conditions of the purchase. If each buyer has a different set of purchasing specifications,
10 communicated using non-uniform language, sellers pay a high cost to review and understand each individual request.

The following patents describe different types of auction based systems and business methods for trading various consumer products and services. U.S. Pat. No. 5,664,115 ("the
15 '115 patent"), issued to Richard Fraser on September 2, 1997, presents an interactive computer system which matches buyers and sellers of real estate, business and other property using the Internet.

The '115 patent provides for the buyer's information to be evaluated by the host system and determine whether the buyer is qualified to purchase each selected property. This computer system obtains and stores a set of records, each corresponding to a property to be
20 sold. Each set of records can then be searched by a remote data terminal associated with a potential buyer.

The results of this search are then provided to the potential buyer, who indicates specific property listings that the potential buyer may be interested in purchasing. The potential buyer provides identifying information which is then provided to the sellers of the
25 indicated property. This interactive computer system does not offer a method or system for

volume discount pricing. The '115 patent mainly deals with real estate and other property which is not volume trading sensitive.

U.S. Pat. No. 5,715,402, issued to Carl A. Popolo on February 3, 1998, specifies a method and system for matching sellers and buyers dealing in spot metals. This is a system for managing steel inventories that aids in selling primary and secondary steel. Sellers can
5 post detailed descriptions of an item for sale and buyers can browse or search the posted inventory. A buyer may bid on part or all of an item posted and the seller may accept or reject any bid. The bidding is done through an auction by electronic mail.

U.S. Pat. No. 5,717,989, issued to Tozzoli et al. on February 10, 1998, stipulates a full
10 service trade system for storing criteria specified by a funder relating to a trade transaction for buyers and sellers. The trade system compares the criteria with a proposed purchase order to determine whether the system can generate a payment guarantee on behalf of the funder for the buyer to the seller.

When the appropriate conditions for payment are met, the system issues funds transfer
15 instructions to transfer payment from the buyer to the seller. This system is not auction based, instead the main purpose of this patent is to confirm that payment is made by the buyer to the seller.

U.S. Pat. No. 5,758,328, issued on May 26, 1998, and U.S. Pat. No. 5,842,178 ("the
20 '178 patent"), issued on November 24, 1998, to Joseph Giovannoli describe a computerized quotation system and method. These systems are for forming a computer based communications network of network members consisting of network buyers and sellers for processing requests for quotation for goods and services through at least one central processing unit. The system includes a filtering means for controlling the communication linkage between network members.

The '178 patent contains no central database of goods and prices, instead the buyer formulates requests and the seller analyzes each request. The system is also not auction based and does not involve volume discount type trading.

U.S. Pat. No. 5,781,911, issued to Young et al. on July 14, 1998, discloses an
5 integrated system and method for data warehousing and delivery. This system consists of an integrated automatic generation of data warehouses or data marts further integrated with an automatic delivery of information from the data warehouses to knowledge workers throughout the enterprise.

This integration allows information in the data warehouses to be delivered
10 immediately after every refresh of the data warehouse. This is to permit maximum utilization of the information in the data warehouses throughout the enterprise to gain the most optimum decision support. This system deals with the method for extracting data from production of on-line transaction systems and processing that data into information and distributing the information.

15 U.S. Pat. No. 5,794,207, issued to Walker et al. on August 11, 1998, characterizes a method and apparatus for a cryptographically assisted commercial network system designed to facilitate buyer-driven conditional purchase offers. A controller receives binding purchase offers from prospective buyers. The controller makes purchase offers available globally to potential sellers. Potential sellers then have the option to accept a purchase offer and bind the
20 corresponding buyer to a contract.

Under this method, the buyer is bound and does not have a chance to accept or reject seller's response to the buyer's offer. This is not a volume based discount trading system, instead it is a one-buyer, one-seller system. This system does not utilize a master catalog or use historical data for creating bids.

U.S. Pat. No. 5,794,219, issued to Stephen J. Brown on August 11, 1998, discloses a method of conducting an on-line auction that permits individual bidders to pool bids during a bidding session. The auction is conducted over a computer network that includes a central computer, a number of remote computers, and communication lines connecting the remote
5 computers to the central computers.

A number of bidding groups are registered in the central computer and each bidding group has a total bid for the item being auctioned. Bids are entered from the remote computers which are received in the central computer, each bid including a bid amount and a bid designation. Each bid amount is contributed to the total bid of the bidding group
10 indicated by the bid designation.

The bidding group that has the largest total bid at the end of the bidding session wins the item being auctioned. The method then declares a winning group, the winning group being the one bidding group having the largest total bid at the end of the bidding session.

U.S. Pat. No. 5,835,896, issued to Fisher et al. on November 10, 1998, explains a
15 system and method for conducting a multi-person, interactive auction, in a variety of formats without using a human auctioneer to conduct the auction. The system allows a group of bidders to interactively place bids over a computer or communications network. Those bids are recorded by the system and the bidders are updated with current auction status information.

20 When appropriate, the system closes the auction from further bidding and notifies the winning bidders and losers as to the auction outcome. This patent promotes higher prices for the seller and does not give the buyer the chance to withdraw bid.

U.S. Pat. No. 5,890,138, issued to Godin et al. on March 30, 1999, discloses an auction system which allows users to participate using their own computers suitably
25 connected to the auction system.

The patent involves a method and system for providing rapid feedback of a reverse auction process and removes the user from the process once an indication to purchase has been received. Rapid feedback in combination with security of information is achieved with the method and auction system.

5 This method includes removing each purchaser from the auction process upon providing instructions to purchase the product at the displayed current price at the time the instructions were received. In this way the purchaser is not exposed to further decreases in the price of the product, and is removed from that particular auction process.

U.S. Pat. No. 5,905,975, issued to Lawrence M. Ausubel on May 18, 1999, specifies a
10 computer implemented system and method of executing an auction. The system has at least two intelligent systems, one for the auctioneer and at least one for a user. The auction is conducted by the auctioneer's system communications with the user systems.

The auctioneer's system contains information from the user, system based on bid information entered by the user. With this information the auctioneer's system determines
15 whether the auction can be concluded or not and appropriate messages are transmitted to the users.

At any point in the auction, bidders are provided the opportunity to submit their current bids, as well as future bids, into the auction system's database. Participants are continually provided the opportunity to revise their bids associated with all future times or
20 prices which have not already been reached, by entering new bids which have the effect of superseding the bidder's bid currently residing in the auction system's database.

U.S. Pat. No. 5,924,082 ("the '082 patent"), and U.S. Pat. No. 5,924,083 ("the '083 patent"), both issued to Silverman et al. on July 13, 1999, both describe a form of matching system. The '082 patent is a negotiated matching system which includes a plurality of remote
25 terminals associated with respective potential counter-parties, a communication between the

remote terminals, and a matching station. Each user enters trading information and ranking information into his or her remote terminal.

The matching station then uses the trading and ranking information from each user to identify transactions between counter-parties that are mutually acceptable based on ranking information, thereby matching potential counter-parties to a transaction.. Once a match occurs, the potential counter-parties transmit negotiating messages to negotiate some or all terms of the transaction. Thus, the negotiated matching system first matches potential counter-parties who are acceptable to each other based on trading and ranking information, and then enables the two counter-parties to negotiate and finalize the terms of a transaction.

10 The '083 patent by Silverman, et al. details a distributed matching system which generates and provides to trading entities a market view display, including a predetermined number of bids and offers of multiple trading instruments. These are available to each individual trading entity based on unilateral and/or bilateral credit availability between the offeror/bidder and the viewing trading entity and the quantity available to the trading entity based of available unilateral or bilateral credit. The displayed market book may consist of 15 individual order prices and quantities, aggregated prices and quantities, and/or average prices at predetermined quantities.

Japanese Pat. No. 55-37661, issued on March of 1980, summarizes a method to obtain a foreign goods total system. This system includes goods controlled by a host computer with 20 an information file for foreign goods or business. The system also controls the shipments of the head office and terminal equipment in branch offices connected to the host computer via transmission circuits.

Most sites on the Internet are primarily limited to situations in which the sellers advertise a product or service by posting a listing on an electronic bulletin board which can

be read by potential buyers. Many auction based systems require the payment of a fee in order to gain authority to utilize the database.

Most auction based systems simply perform an item-by-item listing of products or services being offered for sale. In high volume trading, the process usually is more complicated. Instead of searching each product or service to find a desired item, there is a need in the art for tailoring a search according to a variety of criteria such as lowest price, best value, vendor performance, audits, ratings, past choices based on recurring buying patterns learned by the system, etc.

The auction based system needed in the art would permit a buyer to avoid spending unnecessary time looking through catalogs, and the seller spending unnecessary costs through advertising. In this auction based system, it would be beneficial for the seller to narrow contacts with potential buyers to those more likely to consummate a transaction.

None of the above inventions and patents, taken either individually or in combination, describe or teach such an auction based system.

15 SUMMARY OF THE INVENTION

In one implementation of the present invention, a method is provided for an auction. The method receives, through a network, a request for an item from a first machine, the request for the item being based on a performance specification of the item. The method sends, through the network, the request for the item to a second machine. The method then receives, through the network, a bid from the second machine, the bid being based on the request for the item.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a request for an item from a first machine. The method sends, through the network, the request for the item to a second machine and to a third machine. The method receives, through the network, a first bid from the second

machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The method then determines (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first
5 result and the second result.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine. The method then sends, through the network, a third request for a third item to a third machine, the third
10 request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item.

In another implementation of the present invention, a method is provided for the auction. The method receives, through a network, a request for an item from a first machine. The method sends, through the network, the request for the item to a second machine and to a
15 third machine. The method receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The method then determines a third bid, the third bid being based on (i) the first bid and (ii) the second bid.

In another implementation of the present invention, a method is provided for
20 generating a request for an item. The method determines the request for the item based on at least one of (i) an item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of a request for the item to purchase. The method then sends, through a network, the request for the item to an auctioneer machine server.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG. 1 depicts a simplified diagram of network communications.

FIG. 2A depicts a flowchart showing one implementation of an auction based procurement system.

5 FIG. 2B depicts a flowchart showing one implementation of an auction based procurement system.

FIG. 2C depicts a continuation of the flowchart of FIG. 2B.

FIG. 2D depicts a flowchart showing one implementation of an auction based procurement system.

10 FIG. 2E depicts a flowchart showing one implementation of an auction based procurement system.

FIG. 3 depicts one implementation of a page illustrating case studies of auctions.

FIG. 4 depicts one implementation of a home page for a consumer.

FIG. 5 depicts one implementation of a page illustrating a credit card report.

15 FIG. 6 depicts one implementation of a page illustrating view orders.

FIG. 7 depicts another page of the implementation of FIG. 6.

FIG. 8 depicts one implementation of a page illustrating bid results of an auction.

FIG. 9 depicts one implementation of a page illustrating create a cart.

FIG. 10 depicts one implementation of a page illustrating best value.

20 FIG. 11 depicts one implementation of a page illustrating category structure.

FIG. 12 depicts one implementation of a page illustrating sub-category structure.

FIG. 13 depicts one implementation of a page illustrating performance specification of an item.

FIG. 14 depicts one implementation of a page illustrating a report of an auction.

25 FIG. 15 depicts one implementation of a home page for a vendor.

FIG. 16 depicts one implementation of a page illustrating a losing bid result.

FIG. 17 depicts one implementation of a page illustrating a winning bid result.

FIG. 18 depicts a flowchart showing one implementation of an auction.

FIG. 19 depicts a flowchart showing one implementation of an auction.

5 FIG. 20 depicts a flowchart showing one implementation of an auction.

FIG. 21 depicts a flowchart showing one implementation of an auction.

FIG. 22 depicts a flowchart showing one implementation for generating a request for an item.

FIG. 23 depicts a flowchart showing one implementation of an auction.

10 FIG. 24 depicts a flowchart showing one implementation of an auction.

FIG. 25 depicts one embodiment of an apparatus for an auction based procurement system.

FIG. 26 depicts one embodiment of a machine-readable medium having encoded information, which when read and executed by a machine causes a method for an auction.

15

DETAILED DESCRIPTION

One embodiment of the present invention includes an auction based procurement system utilizing performance based auctions, where both buyers and sellers through pooling may take advantage of volume discount pricing. The embodiment uses a network
20 communications (e.g., the Internet). The auction based procurement system may include four stages.

The first stage includes a request for a quotation that a buyer initiates. The buyer may review several databases of historical and present (or active) data to generate the request for the quotation.

The second stage includes quotation submission and analysis. The buyer creates and submits the request for goods and/or services. The buyer may establish specific terms of an auction such as: vendor type (e.g., socio-economic classifications or geographic locale), auction closing date, auction closing time, time zone of closing (e.g., EST, PST, etc), evaluation criteria (e.g., exact match, or meet or exceed), and award criteria (e.g., best value or low price). The buyer may use a catalog to guide the product/service selection. The buyer may also create and define custom items using suggested item definitions or ontologies. The embodiment may use a performance based request of the item (e.g., product or service) to potential sellers/vendors. As such, the embodiment may guide the buyer to define the item by performance, or brand or model number. Then, a buyer may procure a complex scope-of-work such as an installation of light fixtures similar to a commodity item such as paperclips. A template populated with items sought allows the buyer to experience ease in the procurement of the items. Vendors may respond through quotations to the buyer's request for the item, for example, by combining the vendors' bids. A ranking of the information provided by the buyers and/or the sellers may be performed. The ranking may be based on price, best value, or features of a request for an item. An award based on best value or low price may be determined. The calculation of best value considers the price of a bid, as well as factors such as past performance, warranty, risk, and features, which define an item. For example, an item having 5 characteristics may have 5 "features" to consider. Features may be quantified by assigning a point value to each. For example, a feature may be assigned a "0" value for each "meet" specification and a "1" value for each "exceed" specification. Vendors may be notified of their response ranking, though a vendor may be a winner or loser of the auction or the vendor may lead or lag in the auction.

The third stage includes award notification, product shipping, and proof of shipping.

Once a buyer is notified of the winning award, the buyer may cancel the submitted bid (e.g.,

system error) or repost the bid to a new pool. The buyer may contact customer service for mediation if the bid is "less than" the equal or better than the criteria of the buyer. The buyer may also accept the winning award (unless a systems error occurred). The embodiment allows buyers to accept a bid without having to evaluate the qualification of all the submitted bids. Acceptance of the winning award is not mandatory. The embodiment also allows buyers to purchase substitute items that are equal or better than the original submitted requirement.

The fourth stage includes payment, either online payment using an escrow account or an offline payment. In the offline payment the buyer may contract directly with the winning vendor. For escrow account payment, the buyer may advance funds upon proof of shipment of the item to cover the purchase. The escrow account may be used to distribute fees to the vendor, the shipping agent, and the auction system. The embodiment may notify each buyer of their savings from using the auction.

The detailed description refers to the accompanying drawings, where similar reference numerals correspond to similar features throughout the drawings, that illustrate embodiments of the present invention. Other embodiments are possible and modifications may be made to the embodiments without departing from the spirit and scope of the invention. Therefore, the detailed description is not meant to limit the invention. Rather the scope of the invention is defined by the appended claims, and their equivalents.

The Internet is a well-known, global network of cooperatively interconnected computer networks. The World Wide Web ("Web") portion of the Internet is a collection of server computers that store documents (i.e., Web pages), which are typically accessible by the public. A Web page consists of text, graphic, audio/visual, and the like (i.e., multimedia). An Intranet is similar to the Internet. Intranets, however, restrict access to the network to users outside of a defined group, such as users who are not employees of a corporation.

Hereinafter, any description of the Internet also is applicable to an Intranet.

FIG. 1 shows a simplified diagram of network communications. Computer 10 operated by a consumer and computer 30 operated by a vendor are coupled to an Internet Service Provider ("ISP") or a Network Service Provider ("NSP") 60. The Internet Service
5 Provider ("ISP") provides Internet access to operators of computers 20, 30, while the Network Service Provider ("NSP") provides Internet access to the ISPs, as well as the operators of computers 20, 30. The ISP/NSP 60 includes a router 50 that is coupled to auction server 10 via a network 41 (i.e., the Internet or Intranet). A browser, which runs on each of computers 20, 30, retrieves (or downloads) Web pages from the auction server 10. The
10 browser allows the operators of computers 20, 30 to navigate (or "browse") between Web pages. In the system of FIG. 1, for example, consumers will be able to combine requests for purchase of goods and services from a plurality of vendors to obtain volume discounts.

A buyer 20 submits a request for goods and/or services and vendors 30 respond with bids. A server 10 may review databases of historical and present data to guide/aid the buyer
15 20 in creating and submitting a request for an item that will achieve the lowest price or best value for the item. The server 10 may notify all bidding vendors 30 of the existence of a lower bid. The server 10 may communicate the status of a bid to a bidding vendor in a "sealed or closed" fashion by displaying a "lead or lag" value, or in an "open" fashion by displaying the actual leading price/point.

20 A sales forecast report may be created to offer the vendor/seller an automated tool to capture the value of potential sales opportunities being processed by the server 10, which has real-time access to the status of all vendor bids. The status of a bid may be "lead" (winning bid at a point in time) or "lag" (loosing bid at a point in time). The server 10 may calculate a total dollar value of the difference between the lead bids and the lag bids. Proprietary bidding

software packages residing on a vendors network or workstation, however, does not have access to such information.

The embodiment includes a supply and demand based transaction model. Volume based discounting is correlated with supply and demand. The embodiment is based on a bilateral buyer driven process which may be utilized by organizations that would like to purchase significant amounts of goods or services at the lowest possible price or best value. Buyers 20 and sellers 30 may review different sources of data before submitting a bid or quotation.

Fig. 2A illustrates one implementation of a first stage of an auction based procurement system. The embodiment may be a virtual marketplace for controlled interactions between buyers 20 and sellers 30. These interactions may be optimized to facilitate monitoring and auditing of the system to ensure integrity and to produce detailed audit trails of every interaction with the server 10.

Buyers 20 may initiate the bidding. Sellers 30 respond through quotations to the buyers' auctions. The embodiment may include a personalized login access where both buyers 20 and sellers 30 may log onto the server 30 to obtain specific information, which may be provided by each business entity involved. First, the auction provides a site accessing system where through membership, identification codes for buyers 20 or sellers 30, access to specific information stored in the server 10 may be gained. The server 10 may present customized and personalized content based on historical interactions.

Once each buyer 20 logs 100 onto the auction, the buyers 20 have an option of reviewing different data sources 104, 106, 108, 110, and 112 in creating a bid cart 102. A bid cart may include specific information that the buyers 20 require of each product or service for bidding.

The bid cart may include: a) an auction owner's profile information such as organization name, contact name, contact numbers, credit card numbers, etc., b) the specific items sought from the auction, c) best value calculation logic and weightings, d) shipping information, and e) contractual terms and conditions. The auction may enhance the purchasing experience for both buyers 20 and sellers 30 by offering intelligent, practical and useful information that may be customized and pushed to a particular end user (e.g., through data mining).

The data sources 104, 106, 108, 110, and 112 from which each buyer 20 may retrieve information include a master catalog 104, active bid and communications 106, an automated pooling process 108, bid and communications archives 110, and recent and past external content 112. With most catalog systems the buyers 20 expend a great deal of time and effort sorting through each item to find a relevant item.

The master catalog 104 may be a dynamic data repository of item information to help the buyer 20 define performance specifications of an item. Disparate data sources such as OEM product catalogs, distributor catalogs, and reseller catalogs may be normalized for the data repository. The master catalog 104 may include product specifications, product image files, and suggested retail prices. The master catalog 104 may provides information to consumers 20 who are registered with the system.

The master catalog 104 may retrieve data from various disparate sources via commercially available push and pull technologies, which include transfers of fixed and variable file formats, interfacing to various databases, XML, OBI, and other distributed database connectivity sources. The master catalog 104 may also allow consumers 20 to retrieve product information through a standard database interface to determine create an auction and to search for like auction. The master catalog 104 may be accessed by remote buyers 20 through the network 41.

Historical data may be accumulated and stored in a database where specific information may be accessed based on the buyer's need for products and services. The historical auction data may be a compilation of closed transactions, which may be (a) all auctions submitted, (b) all vendor bids submitted, (c) all auction awards, and (d) all associated messages between the involved parties 20 and 30. The historical data may be retrieved and utilized during any search, create auction, create bid, or create report activity or data mining or artificial intelligence activity.

The buyer 20 may also retrieve data from active bid and communications 106. The active auction data 106 may include data from open transactions such as a) all auctions submitted, b) all vendor bids submitted, c) all associated messages between the involved parties 20, 30. The data 106 may be retrieved and utilized during any search, create auction, create bid, create report, or data mining or artificial intelligence activity. The buyer 20 may also observe active auctions 106 to determine the status of bids related to products or services of interest.

The self-searching pooling process 108 may be a manual process where a buyer 20 or vendor 30 initiate a search to find equal or better opportunities from historical and/or active opportunities. The buyer 20 may conduct the search of products and services.

Each buyer 20 may review the bid and communications archives 110, which are stored in a database. The bid and communications archives 110 database may include all submitted bids and communications between buyers 20 and sellers 30.

External product and service information 112 may not be concentrated in one database for buyers 20 and sellers 30 to review. The embodiment accumulates this information, which is stored in a database, updated and made available to all buyers 20.

Each vendor 30 may contribute and/or update information 114 in at least one of the various data sources 104, 106, 108, 110, and 112. The vendor 30 may provide accessible

information concerning prior trading transactions or information about the vendor's products and services. The buyer 20 may review the different data sources 104, 106, 108, 110, and 112. The server 10 may conduct its own pooling process 116 to further aid each buyer 20 in creating the best possible bid cart 102. The pooling process 116 may include an automated
5 process, which utilizes data mining and artificial intelligence technologies to proactively compare and analyze active bid and communications 106 opportunities to produce a list of equal or better pooling opportunities to the buyer, or suggest new pooling opportunities between buyers based on their prior purchases.

The embodiment may accumulate data to anticipate the final auction 102 of the
10 buyers 20. The pooling process 116 may use trending information that has been historically, collected, mined, processed and modeled from prior transactions.

Buyers 20 may be given product and service information that is equal or better to the information searched through the data sources 104, 106, 108, 110, and 112. Vendors 30 may also be presented with volume sale opportunities that may include different features on
15 similar products or services. The data 104, 106, 108, 110, and 112 may also be used to generate standard business reports, quantitative analysis on market trends, demand forecasting and correlation analysis.

Other types of advice from the pooling process 116 may include suggesting pre-determined courses of action based on past choices and available information. For example,
20 recreating bids 102 based on recurring buying patterns learned by the server 10. After the customer saves or submits a bid 118, the customer may review the pooling options 119 to submit the bid or an alternative bid 105.

The embodiment may involve past and future transactions to present submitted bids. The embodiment may anticipate the needs of its users 20 and 30 and proactively search for
25 and facilitate aggregated buying opportunities based on historical bidding patterns.

Fig. 2B illustrates one implementation of a second stage of the auction. The buyer 20 may save the information gathered in creating 118 their bid cart and return to submit a bid (see Fig. 1). The buyer 20 may further analyze the data sources 104, 106, 108, 110, and 112.

The buyer 20 may submit 120 their bid, which may then go into the pooling process

5 121. If the buyer 20 submits 120 the bid, the bid will formulate a detailed written specification setting forth the quantities and requirements of the item to purchase.

Once a bid has been submitted 120, the embodiment aggregates 123 and distributes 122 the submitted bid to the appropriate vendors 30. The embodiment may aggregate 122 information of similar auctions by comparing auction specifics such as feature set, auction

10 end date, and award criteria (lowest price or best value). The embodiment notifies 123 the vendors 30 by comparing the auction's a) category and b) sub-category classifications and performing a lookup on a cross reference list which represents vendor's participation in that category and sub-category.

The notification 124 may then be sent anonymously to the registered vendor 30

15 through a user-defined communications preferences such as e-mail, paging, voice mail, etc. While the vendors 30 are being notified 122 of the aggregated and distributed bids, the embodiment may proactively pool and notify 124 each vendor 30 of the active results of the pooling process. Each vendor 30 may receive 126 and may generate 128 a response bid to each item that is an individual or aggregated/pooled auction 122.

20 The vendor 20 may generate 128 a bid response or quote by completing vendor fields within an auction's item detail. Bid responses 128 may be submitted anonymously within the embodiment. This eliminates the need for outside paper, or fax submissions as well as minimizing the risk of circumvention of the procurement system and collusion between buyers and sellers. Once each vendor 30 has generated 128 a response quotation, the vendor

30 may reply 130 in response to the buyers' 20 bid and pooling response 124. The embodiment may weigh all information and criteria specific to each buyer's bid 120.

An award 148 may be based on best value or lowest price. If the award criteria is based on best value, the embodiment may analyze all vendor 30 quotes and responses by
5 executing the best value calculation process. The embodiment analyzes bid staging and communications 132. The best value program may measure, weigh, and compare the features and risks associated with a specific vendor's response/quotation 128 and 130. The best value model may use auction specific, product specific, and vendor 30 specific information to
10 validate and rank bid responses. The rank may be based on user-entered weightings for each feature to produce relative score of the bids. The embodiment may match vendor quotes to buyer bid requirements 134. The embodiment may also apply 136 an evaluation criteria based on vendors performance, audits, and ratings as a part of the best value calculation. The embodiment may proceed to a ranking process 138 to arrange and sort various information provided by both buyers 20 and sellers 30.

15 Fig. 2C illustrates one implementation of the second stage of the auction. Each buyer may receive the final ranking 138 on best value 140 or lowest price 142. The embodiment may notify each vendor 20 of the bid status, which may be a leading bid or a lagging bid 144.

Vendors 30 may reply 144 to the ranking through the bid and pooling process 121. The process 121 may be repeated manually or automatically by preauthorizing re-bids in pre-
20 determined increments triggered by volume and/or pricing thresholds. The process 121 may come to a halt based on a time-sensitive deadline 146, which may be set by the potential buyer 20.

After the deadline 146 is reached, the buyers 20 and vendors 30 may be notified of the results 150 and 152. The embodiment may notify 152 each vendor 30 of their response
25 position whether they were awarded the auction. The embodiment may also notify 150 all

buyers 20 of the results of the winning award 148. Each customer receives 156 the notification of results. Vendors 30 may receive 154 information concerning whether the vendors response bid wins or loses.

Fig. 2D illustrates one embodiment of the auction. The buyer 20 may be notified 158
 5 that there was no responses posted for their bid(s). The buyer 20 then may cancel 166 the submitted bid, or submit/repost 164 the auction as is, and assume the lead position for other buyers to pool into.

The vendor's response may result 160 in less than "equal or better" than the specifications of the submitted bid. the buyer 20 then may contact 168 customer service for
 10 mediation. A customer service staff operates to solve customer issues regarding less than "equal or better quotations," requests, complaints, and other customer-related issues. When issues are resolved between the customer service and the buyer 20, the buyer 20 may accept the award 172.

The vendor's response 162 may generate the lowest price or is "equal or better" than
 15 the buyer's submitted bid. The buyer 20 then may accept 17 the winning award and may provide the vendor with further information on shipping and payment. Once server 10 receives 172 the notice of acceptance from the buyer 20, server 10 may record and notify 174 each vendor of the acceptance.

The auction system may offer shipping considerations for CONUS (within the
 20 Continental U.S.) and OCONUS (Outside the Continental U.S.) deliveries and may allow the buyer 20 to select various shipping service levels such as: overnight express, and standard ground.

Once vendors 20 receive notification 176, vendors may ship 178 the item to buyer(s)
 20 using, for example, delivery accounts numbers. The vendors 30 may notify 180 server 10
 25 of the tracking data. After server 10 receives 182 the tracking data, server 10 may store the

shipping information in a database where both buyers 20 and sellers 30 may then retrieve this information.

Fig. 2E illustrates one embodiment of the fourth stage of the auction. Server 10 may charge 184 the approved buyers 20 for products or services purchased through the auction and also for shipping fees. Server 10 may operate through an escrow account system 40. The escrow payment system 40 may involve the use of an escrow account associated with the buyer 20 where the funds may be advanced by the buyer 20 to cover the purchase of desired goods or services. The funds may be kept in the escrow account until the vendor accepts and ships the goods. Buyer 20 then pays into an escrow account 186.

The escrow 40 may distribute 188 the buyer's shipping and transaction fees to the appropriate parties. During the buyer acceptance period, transactions through the payment stage may occur. The escrow 40 may distribute 190 the balance of any funds held in the account to the appropriate vendors 30 after notification of shipment. The escrow 40 may notify 192 the balance transfer internally. To complete the bidding, the server 10 may notify 194 each buyer 20 of the purchased savings. The received 196 savings information may be stored in a database, which may be accessed and utilized by participating parties. Vendors 30 may receive the balance from internal escrow after the balance transfer.

FIG. 3 depicts one implementation of a page illustrating sample case studies, which may be reviewed. FIG. 4 depicts one implementation of a home page a buyer. The information listed includes current and historical auctions created by the buyer. The tabs at the top of the page provide capabilities such as generate a request for an item and a credit card usage report. The icons on the right of the page are short cuts to a plurality of features.

A report may be created to offer the buyer 20 an automated tool to perform credit card reconciliation. The credit card reconciliation is performed, for example, by government credit card/purchase card users. The user manually compares shipping invoices to credit card

statements to verify proper delivery and billing for all purchases. The credit card statement, however, provides only Level 1 data (i.e., date of transaction, vendor, and extended price of the goods). Thus, the user matches the Level 1 data to invoices, which are detailed and may use different order numbers, part numbers, and order execution date. The server 10, however, collects pertinent credit card order data such as vendor information, order execution date, item descriptions, unit prices, extended prices, and shipping information that better matches vendor invoices. The server 10 compiles an electronic report of the credit card order data. The electronic report may then be downloaded by a consumer 20 to reconcile credit card statements. In FIG. 5, for example, the electronic report is modeled based on the U.S. Air Force's 11th Wing District Washington reconciliation reporting requirements.

FIG. 6 depicts one implementation of a page illustrating the orders, where the consumer may view information of the existing auctions. FIG. 7 depicts one implementation of a page illustrating a second layer of detail of the participating vendors, the best bid price, and the rank by price, for example. Additional information may also be presented such as time of bid, and all bids vs. best prices. FIG. 8 depicts one implementation of a page illustrating the bid results of an auction. The data may include the winning vendor, the item of the request, the price of the bid, and performance specifications of the item.

FIG. 9 depicts one implementation of a page illustrating a creating of an auction. The buyer may choose socio-economic vendor classifications, as well as the duration of the auction and the evaluation criteria. FIG. 10 depicts one implementation of a page illustrating criteria for best value. The page may be customized/personalized. FIG. 11 depicts one implementation of a page illustrating a category structure to define product and service ontologies. FIG. 12 depicts one implementation of a page illustrating a sub-category structure. FIG. 13 depicts one implementation of a page illustrating a template for defining performance specifications for an item (e.g., product and service). FIG. 14 depicts one

implementation of a page illustrating a report for the consumer. The report may include the bidders and the bid prices in rank order. In short, the buyers 20 may take advantage of price/volume discounts offered through the auction based on pooling, automatic auditing, and diligent requests, for example.

5 On the seller's 30 side, the vendors 30 may chart supply curves, take advantage of increased business opportunities in spite of the business size, reduce associated transaction costs, and receive valuable data for manufacturing and sales forecasting. In addition, vendors 30 may bid on products and services (e.g., if no conflict of interests exists). The vendor 30 may take advantage of a volume purchase being made by pooled buyers 20 by joining into
10 the aggregated transaction (i.e., an "impulse buy"). The server 10 may flag potential or actual conflicts.

Large organizations already take advantage of the benefits afforded by a request for quotation because their volume buying represents an opportunity for suppliers to compete for the business. Large organizations also have the resources to communicate their buying needs
15 to a sufficient number of suppliers. As such, they often achieve substantial unit cost savings, for example, on commodity services and on perishable items. In the embodiment, even small buying and selling entities 20 may take advantage of the volume based discounts that large organizations have achieved in the past.

Traditional, auctions require the bidder's and seller's physical presence to assemble
20 within an auction house. It would be easier for both buyers and sellers, however, to leave large or numerous inventory stock at its original source and ship purchased items to the successful bidders at the end of the auction. The embodiment saves the sellers 30 time and moving costs by allowing their inventory to remain in their warehouses.

Web sites create volume discounts through predetermined fixed pricing and volume
25 levels with its suppliers. The embodiment, however, may create pooling opportunities in a

dynamic and real time environment. In addition, buyers 20 may not need an exact match to the requested item. Each buyer 20 may choose to purchase items that are equal or better than the requested item.

Vendors 30 may be presented with volume sale opportunities that may include
5 different features on similar products. The embodiment creates demand through broadcast notifications to buyers 20 who purchased similar products in the past. The embodiment proactively mines historical bids to invite buyers 20 to join cyclic buying opportunities.

FIG. 15 depicts one implementation of a home page for the vendor. The page may include current and historical bids. FIG. 16 depicts one implementation of a page illustrating
10 a loosing bid. FIG. 17 depicts one implementation of a page illustrating a winning bid.

In FIG. 18, a method 1800 provides one implementation of an auction. In block 1805, the method 1800 receives, through a network, a request for an item from a first machine, the request for the item being based on a performance specification of the item. The request for the item from the first computer may also be based on at least one of (i) the item itself and (ii)
15 a term of the request for the item.

In block 1845, the method 1800 may send, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

In block 1810, the method 1800 sends, through the network, the request for the item
20 to a second machine. The request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor. The method 1800 may also send, through the network, the request for the item to a third machine.

In block 1815, the method 1800 receives, through the network, a bid from the second machine, the bid being based on the request for the item. The method 1800 may also receive,
25 through the network, a second bid from the third machine, the second bid being based on the

request for the item. The request for the item, the first mentioned bid, and the second bid include at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

In block 1820, the method 1800 determines a result of an auction based on (i) the request for the item, (ii) the first mentioned bid and (iii) a second bid.

In block 1825, the method 1800 ranks the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

In block 1830, the method 1800 sends at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer. The ranking includes the first status for the first mentioned bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid. The method may receive a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

In block 1835, the method 1800 sends the result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine. An operator of the first machine submits to mediation based on the result of the auction. The operator of the first machine submits a second request for a second item based on the result of the auction.

In block 1840, the method 1800 prepares a report of the auction based on at least one of (i) the request for the item and (ii) a bid. The determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

In the method 1800, the first machine includes a first computer operated by a potential consumer, and the second machine includes a second computer operated by a first potential

vendor, and the third machine includes a third computer operated by a second potential vendor.

In FIG. 19, a method 1900 provides another implementation of an auction. In block 1905, the method 1900 receives, through a network, a request for an item from a first machine. The request for the item may be based on at least one of (i) a performance
5 specification of the item and (ii) a term of the request for the item.

In block 1940, the method 1900 sends, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

10 In block 1910, the method 1900 sends, through the network, the request for the item to a second machine and to a third machine;

In block 1915, the method 1900 receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item. The request for the item, the first bid, and the second
15 bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

In block 1920, the method 1900 determines (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and
20 the second result. The determination of the third result of the auction may be based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of the first bid and the second bid satisfying the request for the item.

In block 1925, the method 1900 ranks the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

In block 1930, the method 1900 sends at least one of (i) a first status and (ii) a second status to at least one of (i) the second machine and (ii) the third machine. The ranking
5 includes the first status for the first bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

In block 1935, the method 1900 sends the third result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine. The request for the item may be sent to the second machine and the third machine based on (i) the request for the
10 item and (ii) data on at least one potential vendor.

In the method 1900, the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor. An operator of the first machine may submit to mediation based on the result of the
15 auction. The method 1900 may receive a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status. The operator of the first machine may submit a second request for a second item based on the third result of the auction.

In FIG. 20, a method 2000 provides another implementation of an auction. In block
20 2005, the method 2000 receives, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine.

In block 2010, the method 2000 sends, through the network, a third request for a third item to a third machine, the third request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item. The third request for the

third item may also be sent to the third machine based on (i) the third request for the third item and (ii) data on at least one potential vendor.

In the method 2000, the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor. In block 2015, the method 2000 notifies the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

In FIG. 21, a method 2100 provides another implementation of an auction. In block 2105, the method 2100 receives, through a network, a request for an item from a first machine.

In block 2110, the method 2100 sends, through the network, the request for the item to a second machine and to a third machine. The request for the item may be sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

In block 2115, the method 2100 receives, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item.

In block 2120, the method 2100 determines a third bid, the third bid being based on (i) the first bid and (ii) the second bid. The method 2100 may also receive, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

In the method 2100, the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor. In block 2125, the method 2100 may notify the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

In FIG. 22, a method 2200 provides one implementation for generating a request for the item. In block 2205, the method 2200 selects at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase. The item may include at least one of (i) a product and (ii) a service.

5 In block 2210, the method 2200 selects a term of a request for the item to purchase. The term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid. The type of vendor includes at least one of (i) socio-economic classification of vendor and (ii) geographic location of vendor. The evaluation criteria of the bid includes a match between the request for
10 the item and a bid from a potential vendor, the match including at least one of (i) an exact match between the request for the item and the bid from the potential vendor and (ii) the bid from the potential vendor satisfying the request for the item. The award criteria of the bid includes one of (i) best value and (ii) low price. The best value may be based on at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance
15 specification of an item.

The at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase may be selected from a database having the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase.
20 The selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase may also be based on at least one of (i) a past auction and (ii) an active auction.

In block 2215, the method 2200 determines the request for the item to purchase based on at least one of (i) the item itself, (ii) the performance specification of the item and (iii) the
25 term of the request for the item. The determination of the request for the item to purchase

may be based on at least one of (i) a past request for an item and (ii) an active request for an item.

In block 2220, the method 2200 sends, through a network, the request for the item to an auctioneer machine server.

5 In FIG. 23, a method 2300 provides another implementation for an auction. In block 2305, the method 2300 receives, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item. The request for the item from the machine may also be based on at least one of (i) the item itself and (ii) a term of the request for the item. The machine includes one of (i) a computer server operated
10 by an auctioneer and (ii) a computer operated by a potential consumer.

In block 2310, the method 2300 sends, through the network, a bid to the machine, the bid being based on the request for the item. The bid matches or satisfies the request for the item.

In FIG. 24, a method 2400 provides another implementation for an auction. In block
15 2405, the method 2400 receives, through a network, (i) a request for an item from a first machine and (ii) a first bid from a second machine, the first bid being based on the request for the item. The first machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer, and the second machine includes a computer operated by a potential vendor.

20 In block 2410, the method 2400 determines a second bid, the second bid being based on (i) the request for the item and (ii) the first bid.

In block 2415, the method 2400 sends, through the network, the second bid to the first machine.

In block 2420, the method 2400 receives, through the network, a notification of an
25 option to combine the first bid and the second bid.

FIG. 25 illustrates one implementation of an apparatus 500. The server 10, the computer 20, and the computer 30 (see FIG. 1) comprise the apparatus 500, which comprises a transceiver 510, a processor 520, and memory 530. The transceiver 510 includes a transmitter 512 that allows the apparatus 500 to transmit information, for example, to the network 41 over a communications link. The transceiver 510 also includes a receiver 514 that allows the apparatus 500 to receive information, for example, from the network 41 over the communications link. Such transmission and reception operations over the communications link may be conducted using the same or different data rates, communications protocols, carrier frequencies, and/or modulation schemes. Likewise, the operations and/or circuit configurations of the transmitter 512 and the receiver 514, respectively, may be completely independent of one another or, alternatively, may be partially or fully integrated.

The processor 520, which may comprise one or more microprocessors, microcontrollers, or other arrays of logic elements, controls the operation of the apparatus 500 according to a sequence of commands that may be (A) stored in the memory 530 or in another storage device within or coupled to the apparatus 500, (B) entered by a user through an interface such as a data entry device (i.e., a keypad) (not shown), and/or (C) received from the network 41 over the communications link.

The memory 530, which may comprise read-only memory (ROM), random-access memory (RAM), nonvolatile memory, an optical disk, a magnetic tape, and/or a magnetic disk, stores programmable parameters and may also store information including executable instructions, non-programmable parameters, and/or other data. Executable instructions defining a method associated with the presented embodiments may also be stored in the memory 530 for execution by the processor 520. The method may be programmed when the apparatus 500 is manufactured or via a machine-readable medium 600 (e.g., see FIG. 26) at a later date. Such a medium may include any of the forms listed above with respect to the

memory 530 and may further include, for example, a carrier wave modulated, or otherwise manipulated, to convey instructions that can be read, demodulated/decoded and executed by the apparatus 500.

In view of the foregoing, it will be apparent to one of ordinary skill in the art that the described embodiments may be implemented in software, firmware, and hardware. The actual software code or specialized control hardware used to implement the present invention is not limiting of the invention. Thus, the operation and behavior of the embodiments is described without specific reference to the actual software code or specialized hardware components. The absence of such specific references is feasible because it is clearly understood that artisans of ordinary skill would be able to design software and control hardware to implement the embodiments of the present invention based on the description herein.

The foregoing presentation of the described embodiments is provided to enable any person skilled in the art to make or use the present invention. Various modifications to these embodiments are possible, and the generic principles presented herein may be applied to other embodiments as well. For example, the invention may be implemented in part or in whole as a hard-wired circuit, as a circuit configuration fabricated into an application-specific integrated circuit, or as a firmware program loaded into non-volatile memory or a software program loaded from or into a data storage medium as machine-readable code, such code being instructions executable by an array of logic elements such as a microprocessor or other digital signal processing unit, or some other programmable machine or system. As such, the present invention is not intended to be limited to the embodiments shown above, any particular sequence of instructions, and/or any particular configuration of hardware but rather is to be accorded the widest scope consistent with the principles and novel features disclosed in any fashion herein.

What is Claimed is:

1. A method for an auction comprising:
receiving, through a network, a request for an item from a first machine, the request
for the item being based on a performance specification of the item;
5 sending, through the network, the request for the item to a second machine; and
receiving, through the network, a bid from the second machine, the bid being based
on the request for the item.
2. The method of claim 1, wherein the first machine includes a first computer
10 operated by a potential consumer, and the second machine includes a second computer
operated by a potential vendor.
3. The method of claim 2, wherein the request for the item from the first
computer is based on at least one of (i) the item itself and (ii) a term of the request for the
15 item.
4. The method of claim 1, further comprising preparing a report of the auction
based on at least one of (i) the request for the item and (ii) the bid.
- 20 5. The method of claim 1, further comprising
sending, through the network, the request for the item to a third machine;
receiving, through the network, a second bid from the third machine, the second bid
being based on the request for the item; and
determining a result of an auction based on (i) the request for the item, (ii) the first
25 mentioned bid and (iii) the second bid.

6. The method of claim 5, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

7. The method of claim 6, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

8. The method of claim 6, wherein the request for the item, the first mentioned bid, and the second bid include at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

9. The method of claim 8, further comprising ranking the first mentioned bid and the second bid based on a comparison between (i) the request for the item and (ii) the first mentioned bid and the second bid.

10. The method of claim 9, further comprising sending at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer, wherein the ranking includes the first status for the first mentioned bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

11. The method of claim 10, further comprising receiving a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

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12. The method of claim 5, further comprising sending the result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine.

13. The method of claim 12, wherein an operator of the first machine submits to
10 mediation based on the result of the auction.

14. The method of claim 12, wherein an operator of the first machine submits a second request for a second item based on the result of the auction.

15. The method of claim 14, wherein the second item and the first mentioned item
15 are the same.

16. The method of claim 1, wherein the request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

20

17. The method of claim 1, further comprising sending, through the network, an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

18. A method for an auction comprising:
25

receiving, through a network, a request for an item from a first machine;
sending, through the network, the request for the item to a second machine and to a
third machine;

receiving, through the network, a first bid from the second machine and a second bid
5 from the third machine, the first bid and the second bid being based on the request for the
item; and

determining (i) a first result of an auction based on the request for the item and the
first bid, (ii) a second result of an auction based on the request for the item and the second
bid, and (iii) a third result of an auction based on the first result and the second result.

10

19. The method of claim 18, wherein the first machine includes a first computer
operated by a potential consumer, the second machine includes a second computer operated
by a first potential vendor, and the third machine includes a third computer operated by a
second potential vendor.

15

20. The method of claim 19, wherein the request for the item from the potential
consumer is based on at least one of (i) a performance specification of the item and (ii) a term
of the request for the item.

20

21. The method of claim 19, wherein the determination of the third result of the
auction is based on a match between the request for the item and at least one of (i) the first
bid and (ii) the second bid, the match including at least one of (i) an exact match between the
request for the item and at least one of the first bid and the second bid, and (ii) at least one of
the first bid and the second bid satisfying the request for the item.

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22. The method of claim 19, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

5 23. The method of claim 22, further comprising ranking the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

24. The method of claim 23, further comprising
10 sending at least one of (i) a first status and (ii) a second status to at least one of (i) the second computer and (ii) the third computer,
wherein the ranking includes the first status for the first bid and the second status for the second bid, the status indicating one of (i) a leading bid and (ii) a lagging bid.

15 25. The method of claim 24, further comprising receiving a third bid from at least one of (i) the second computer and (ii) the third computer, the third bid being based on at least one of (i) the first status and (ii) the second status.

26. The method of claim 18, wherein the request for the item is sent to the second
20 machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

27. The method of claim 18, further comprising sending, through the network, an
invitation to the first machine to submit the request for the item, the first machine submitting
25 the request for the item based on the invitation.

28. The method of claim 18, further comprising sending the third result of the auction to at least one of (i) the first machine, (ii) the second machine and (iii) the third machine.

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29. The method of claim 28, wherein an operator of the first machine submits to mediation based on the result of the auction.

30. The method of claim 28, wherein an operator of the first machine submits a
10 second request for a second item based on the third result of the auction.

31. The method of claim 30, wherein the second item and the first mentioned item are the same.

15 32. A method for an auction comprising:
receiving, through a network, a first request for a first item from a first machine, and a
second request for a second item from a second machine; and
sending, through the network, a third request for a third item to a third machine, the
third request for the third item being based on (i) the first request for the first item and (ii) the
20 second request for the second item.

33. The method of claim 32, wherein the first machine includes a first computer
operated by a first potential consumer, the second machine includes a second computer
operated by a second potential consumer, and the third machine includes a third computer
25 operated by a potential vendor.

34. The method of claim 33, further comprising notifying the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

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35. The method of claim 32, wherein the first request for the first item and the second request for the second item request the same item.

36. The method of claim 32, wherein the third request for the third item and at least one of (i) the first request for the first item and (ii) the second request for the second item request the same item.

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37. The method of claim 32, wherein the third request for the third item includes one of (i) the first request for the first item and (ii) the second request for the second item.

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38. The method of claim 32, wherein the third request for the third item is sent to the third machine based on (i) the third request for the third item and (ii) data on at least one potential vendor.

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39. A method for an auction comprising:
receiving, through a network, a request for an item from a first machine;
sending, through the network, the request for the item to a second machine and to a third machine;

receiving, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the item; and

determining a third bid, the third bid being based on (i) the first bid and (ii) the second bid.

40. The method of claim 39, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

41. The method of claim 40, further comprising notifying the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

42. The method of claim 39, further comprising receiving, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

43. The method of claim 39, wherein the first bid and the second bid are for the same item.

44. The method of claim 39, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

45. A method for generating a request for an item comprising:

selecting at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase;

selecting a term of a request for the item to purchase;

determining the request for the item to purchase based on at least one of (i) the item itself, (ii) the performance specification of the item and (iii) the term of the request for the item; and

sending, through a network, the request for the item to an auctioneer machine server.

46. The method of claim 45, wherein the item includes at least one of (i) a product and (ii) a service.

47. The method of claim 46, wherein at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase is selected from a database having the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase.

48. The method of claim 46, wherein the selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase is based on at least one of (i) a past auction and (ii) an active auction.

49. The method of claim 48, wherein the determination of the request for the item to purchase is based on at least one of (i) a past request for an item and (ii) an active request for an item.

50. The method of claim 45, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid.

5

51. The method of claim 50, wherein the type of vendor includes at least one of (i) socio-economic classification of vendor and (ii) geographic location of vendor.

52. The method of claim 50, wherein the evaluation criteria of the bid includes a
10 match between the request for the item and a bid from a potential vendor, the match including at least one of (i) an exact match between the request for the item and the bid from the potential vendor and (ii) the bid from the potential vendor satisfying the request for the item.

53. The method of claim 50, wherein the award criteria of the bid includes one of
15 (i) best value and (ii) low price.

54. The method of claim 53, wherein the best value is based on at least one of (i) performance risk of a potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

20

55. A method for an auction comprising:

receiving, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item; and

25 sending, through the network, a bid to the machine, the bid being based on the request for the item.

56. The method of claim 55, wherein the machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer.

5 57. The method of claim 56, wherein the request for the item from the machine is based on at least one of (i) the item itself and (ii) a term of the request for the item.

58. The method of claim 56, wherein the bid matches or satisfies the request for the item.

10

59. A method for an auction comprising:

receiving, through a network, (i) a request for an item from a first machine and (ii) a first bid from a second machine, the first bid being based on the request for the item;

determining a second bid, the second bid being based on (i) the request for the item

15 and (ii) the first bid; and

sending, through the network, the second bid to the first machine.

60. The method of claim 59, wherein the first machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential
20 consumer, and the second machine includes a computer operated by a potential vendor.

61. The method of claim 60, further comprising receiving, through the network, a notification of an option to combine the first bid and the second bid.

25 62. An apparatus for an auction comprising:

a receiver to receive (i) a request for an item from a first machine and (ii) a bid from the second machine;

a transmitter to send the request for the item to a second machine; and

a memory device coupled to the receiver and the transmitter, the memory device

5 being configured to store (i) the request for the item and (ii) the bid,

wherein (i) the request for the item is based on a performance specification of the item and (ii) the bid is based on the request for the item.

63. The apparatus of claim 62, wherein the first machine includes a first computer
10 operated by a potential consumer, and the second machine includes a second computer operated by a potential vendor.

64. The apparatus of claim 63, wherein the request for the item from the first
computer is based on at least one of (i) the item itself and (ii) a term of the request for the
15 item.

65. The apparatus of claim 62, further comprising
a processor coupled to the receiver, the transmitter, and the memory device, the
processor being configured to determine a result of an auction based on (i) the request for the
20 item, (ii) the first mentioned bid and (iii) a second bid,

wherein the transmitter is configured to send the request for the item to a third
machine, and the receiver is configured to receive the second bid from the third machine, the
second bid being based on the request for the item.

66. The apparatus of claim 65, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

5

67. The apparatus of claim 66, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

10

68. The apparatus of claim 62, wherein the request for the item is sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

15

69. The apparatus of claim 62, wherein the transmitter is configured to send an invitation to the first machine to submit the request for the item, the first machine submitting the request for the item based on the invitation.

20

70. An apparatus for an auction comprising:
a receiver to receive (i) a request for an item from a first machine, (ii) a first bid from a second machine and (iii) a second bid from a third machine;
a transmitter to send the request for the item to the second machine and to the third machine; and

25

a processor coupled to the receiver and the transmitter, the processor being configured to determine (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and the second result,

5 wherein the first bid and the second bid are based on the request for the item.

71. The apparatus of claim 70, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a
10 second potential vendor.

72. The apparatus of claim 71, wherein the request for the item from the potential consumer is based on at least one of (i) a performance specification of the item and (ii) a term of the request for the item.

15

73. The apparatus of claim 71, wherein the determination of the third result of the auction is based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of
20 the first bid and the second bid satisfying the request for the item.

74. The apparatus of claim 71, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

25

75. The apparatus of claim 74, wherein the processor is configured to rank the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

5 76. The apparatus of claim 70, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

77. An apparatus for an auction comprising:
10 a receiver to receive (i) a first request for a first item from a first machine and (ii) a second request for a second item from a second machine;
a transmitter to send a third request for a third item to a third machine; and
a processor coupled to the receiver and the transmitter, the processor being configured to determine the third request for the third item,
15 wherein the third request for the third item is based on (i) the first request for the first item and (ii) the second request for the second item.

78. The apparatus of claim 77, wherein the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer
20 operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor.

79. The apparatus of claim 78, wherein the transmitter is configured to notify the first potential consumer and the second potential consumer of an option to combine the first
25 request and the second request.

80. An apparatus for an auction comprising:

- a receiver to receive (i) a request for an item from a first machine, (ii) a first bid from a second machine and (iii) a second bid from a third machine;
- 5 a transmitter to send the request for the item to the second machine and to the third machine; and
- a processor coupled to the receiver and the transmitter, the processor being configured to determine a third bid,
- wherein (i) the first bid and the second bid are based on the request for the item and
- 10 (ii) the third bid is based on the first bid and the second bid.

81. The apparatus of claim 80, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a

15 second potential vendor.

82. The apparatus of claim 81, wherein the transmitter is configured to notify the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

20

83. An apparatus for generating a request for an item comprising:

- a transmitter to send a request for an item to an auctioneer machine server;
- a processor coupled to the transmitter, the processor being configured to determine the request for the item,

wherein the request for the item is based on at least one of (i) the item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of the request for the item to purchase.

5 84. The apparatus of claim 83, wherein the item includes at least one of (i) a product and (ii) a service.

 85. The apparatus of claim 84, wherein a selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term
10 of the request for the item to purchase is based on at least one of (i) a past auction and (ii) an active auction.

 86. The apparatus of claim 83, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a
15 bid and (v) award criteria of a bid.

 87. The apparatus of claim 86, wherein the award criteria of the bid includes one of (i) best value and (ii) low price.

20 88. An apparatus for an auction comprising:
 a receiver to receive a request for an item from a machine;
 a transmitter to send a bid to the machine; and
 a processor coupled to the receiver and the transmitter, the processor being configured
to determine the bid,

wherein the request for the item is based on a performance specification of the item,
and the bid is based on the request for the item.

89. The apparatus of claim 88, wherein the machine includes one of (i) a computer
5 server operated by an auctioneer and (ii) a computer operated by a potential consumer.

90. The apparatus of claim 89, wherein the request for the item from the machine
is based on at least one of (i) the item itself and (ii) a term of the request for the item.

10 91. The apparatus of claim 89, wherein the bid matches or satisfies the request for
the item.

92. An apparatus for an auction comprising:
a receiver to receive (i) a request for an item from a first machine and (ii) a first bid
15 from a second machine;
a transmitter to send a second bid to the first machine; and
a processor coupled to the receiver and the transmitter, the processor being configured
to determine the second bid,
wherein the first bid is based on the request for the item, and the second bid is based
20 on (i) the request for the item and (ii) the first bid.

93. The apparatus of claim 92, wherein the first machine includes one of (i) a
computer server operated by an auctioneer and (ii) a computer operated by a potential
consumer, and the second machine includes a computer operated by a potential vendor.

25

94. The apparatus of claim 93, wherein the receiver is configured to receive a notification of an option to combine the first bid and the second bid.

95. A machine-readable medium having encoded information, which when read
5 and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a first machine, the request
for the item being based on a performance specification of the item;
sending, through the network, the request for the item to a second machine; and
receiving, through the network, a bid from the second machine, the bid being based
10 on the request for the item.

96. The machine-readable medium of claim 95, wherein the first machine includes
a first computer operated by a potential consumer, and the second machine includes a second
computer operated by a potential vendor.

15 97. The machine-readable medium of claim 96, wherein the request for the item
from the first computer is based on at least one of (i) the item itself and (ii) a term of the
request for the item.

20 98. The machine-readable medium of claim 95, the method further comprising
sending, through the network, the request for the item to a third machine;
receiving, through the network, a second bid from the third machine, the second bid
being based on the request for the item; and
determining a result of an auction based on (i) the request for the item, (ii) the first
25 mentioned bid and (iii) the second bid.

99. The machine-readable medium of claim 98, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third
5 computer operated by a second potential vendor.

100. The machine-readable medium of claim 99, wherein the determination of the result of the auction is based on a match between the request for the item and at least one of (i) the first mentioned bid and (ii) the second bid, the match including at least one of (i) an
10 exact match between the request for the item and at least one of the first mentioned bid and the second bid and (ii) at least one of the first mentioned bid and the second bid satisfying the request for the item.

101. The machine-readable medium of claim 95, wherein the request for the item is
15 sent to the second machine based on (i) the request for the item and (ii) data on at least one potential vendor.

102. The machine-readable medium of claim 95, the method further comprising sending, through the network, an invitation to the first machine to submit the request for the
20 item, the first machine submitting the request for the item based on the invitation.

103. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a first machine;

sending, through the network, the request for the item to a second machine and to a third machine;

receiving, through the network, a first bid from the second machine and a second bid from the third machine, the first bid and the second bid being based on the request for the
5 item; and

determining (i) a first result of an auction based on the request for the item and the first bid, (ii) a second result of an auction based on the request for the item and the second bid, and (iii) a third result of an auction based on the first result and the second result.

10 104. The machine-readable medium of claim 103, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

15 105. The machine-readable medium of claim 104, wherein the request for the item from the potential consumer is based on at least one of (i) a performance specification of the item and (ii) a term of the request for the item.

20 106. The machine-readable medium of claim 104, wherein the determination of the third result of the auction is based on a match between the request for the item and at least one of (i) the first bid and (ii) the second bid, the match including at least one of (i) an exact match between the request for the item and at least one of the first bid and the second bid, and (ii) at least one of the first bid and the second bid satisfying the request for the item.

107. The machine-readable medium of claim 104, wherein the request for the item, the first bid, and the second bid include at least one of (i) performance risk of potential vendor, (ii) price, (iii) warranty and (iv) performance specification of an item.

5 108. The machine-readable medium of claim 107, the method further comprising ranking the first bid and the second bid based on a comparison between (i) the request for the item and (ii) the first bid and the second bid.

10 109. The machine-readable medium of claim 103, wherein the request for the item is sent to the second machine and the third machine based on (i) the request for the item and (ii) data on at least one potential vendor.

110. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
15 receiving, through a network, a first request for a first item from a first machine, and a second request for a second item from a second machine; and

sending, through the network, a third request for a third item to a third machine, the third request for the third item being based on (i) the first request for the first item and (ii) the second request for the second item.

20

111. The machine-readable medium of claim 110, wherein the first machine includes a first computer operated by a first potential consumer, the second machine includes a second computer operated by a second potential consumer, and the third machine includes a third computer operated by a potential vendor.

25

112. The machine-readable medium of claim 111, the method further comprising notifying the first potential consumer and the second potential consumer of an option to combine the first request and the second request.

5 113. The machine-readable medium of claim 110, wherein the third request for the third item includes one of (i) the first request for the first item and (ii) the second request for the second item.

114. A machine-readable medium having encoded information, which when read
10 and executed by a machine causes a method comprising:

receiving, through a network, a request for an item from a first machine;

sending, through the network, the request for the item to a second machine and to a third machine;

receiving, through the network, a first bid from the second machine and a second bid
15 from the third machine, the first bid and the second bid being based on the request for the item; and

determining a third bid, the third bid being based on (i) the first bid and (ii) the second bid.

20 115. The machine-readable medium of claim 114, wherein the first machine includes a first computer operated by a potential consumer, the second machine includes a second computer operated by a first potential vendor, and the third machine includes a third computer operated by a second potential vendor.

116. The machine-readable medium of claim 115, the method further comprising notifying the first potential vendor and the second potential vendor of an option to combine the first bid and the second bid.

5 117. The machine-readable medium of claim 114, the method further comprising receiving, through the network, the third bid from at least one of (i) the second machine and (ii) the third machine.

10 118. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:
selecting at least one of (i) an item to purchase and (ii) a performance specification of the item to purchase;
selecting a term of a request for the item to purchase;
determining the request for the item to purchase based on at least one of (i) the item
15 itself, (ii) the performance specification of the item and (iii) the term of the request for the item; and
sending, through a network, the request for the item to an auctioneer machine server.

20 119. The machine-readable medium of claim 118, wherein the item includes at least one of (i) a product and (ii) a service.

120. The machine-readable medium of claim 119, wherein the selection of the at least one of (i) the item to purchase, (ii) the performance specification of the item to purchase and (iii) the term of the request for the item to purchase is based on at least one of (i) a past
25 auction and (ii) an active auction.

121. The machine-readable medium of claim 118, wherein the term includes at least one of (i) type of vendor, (ii) closing date of auction, (iii) closing time of auction, (iv) evaluation criteria of a bid and (v) award criteria of a bid.

5

122. The machine-readable medium of claim 121, wherein the award criteria of the bid includes one of (i) best value and (ii) low price.

123. A machine-readable medium having encoded information, which when read
10 and executed by a machine causes a method comprising:
receiving, through a network, a request for an item from a machine, the request for the item being based on a performance specification of the item; and
sending, through the network, a bid to the machine, the bid being based on the request for the item.

15

124. The machine-readable medium of claim 123, wherein the machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer.

20

125. The machine-readable medium of claim 124, wherein the request for the item from the machine is based on at least one of (i) the item itself and (ii) a term of the request for the item.

126. The machine-readable medium of claim 124, wherein the bid matches or
25 satisfies the request for the item.

127. A machine-readable medium having encoded information, which when read and executed by a machine causes a method comprising:

- receiving, through a network, (i) a request for an item from a first machine and (ii) a first bid from a second machine, the first bid being based on the request for the item;
- 5 determining a second bid, the second bid being based on (i) the request for the item and (ii) the first bid; and
- sending, through the network, the second bid to the first machine.

10 128. The machine-readable medium of claim 127, wherein the first machine includes one of (i) a computer server operated by an auctioneer and (ii) a computer operated by a potential consumer, and the second machine includes a computer operated by a potential vendor.

15 129. The machine-readable medium of claim 128, the method further comprising receiving, through the network, a notification of an option to combine the first bid and the second bid.

ABSTRACT

A method for generating a request for an item. The method determines the request for the item based on at least one of (i) an item to purchase, (ii) a performance specification of the item to purchase, and (iii) a term of a request for the item to purchase. The method then
5 sends, through a network, the request for the item to an auctioneer machine server.

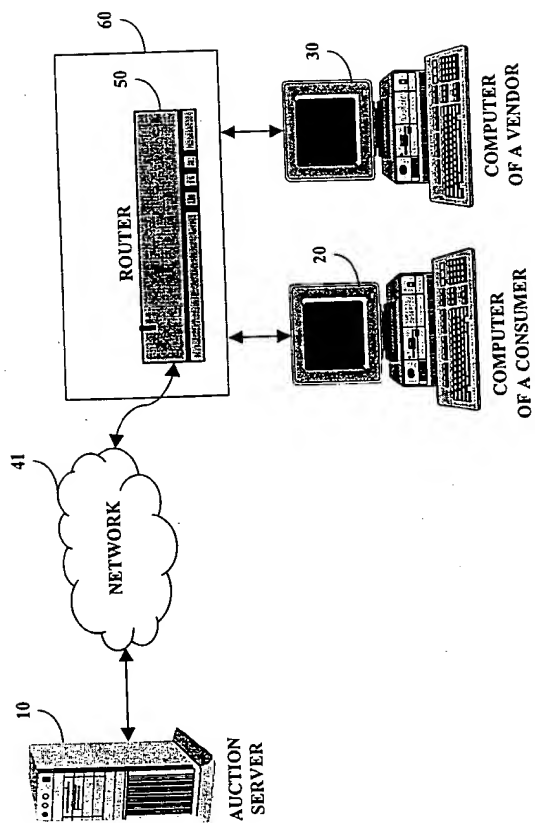


FIG. 1

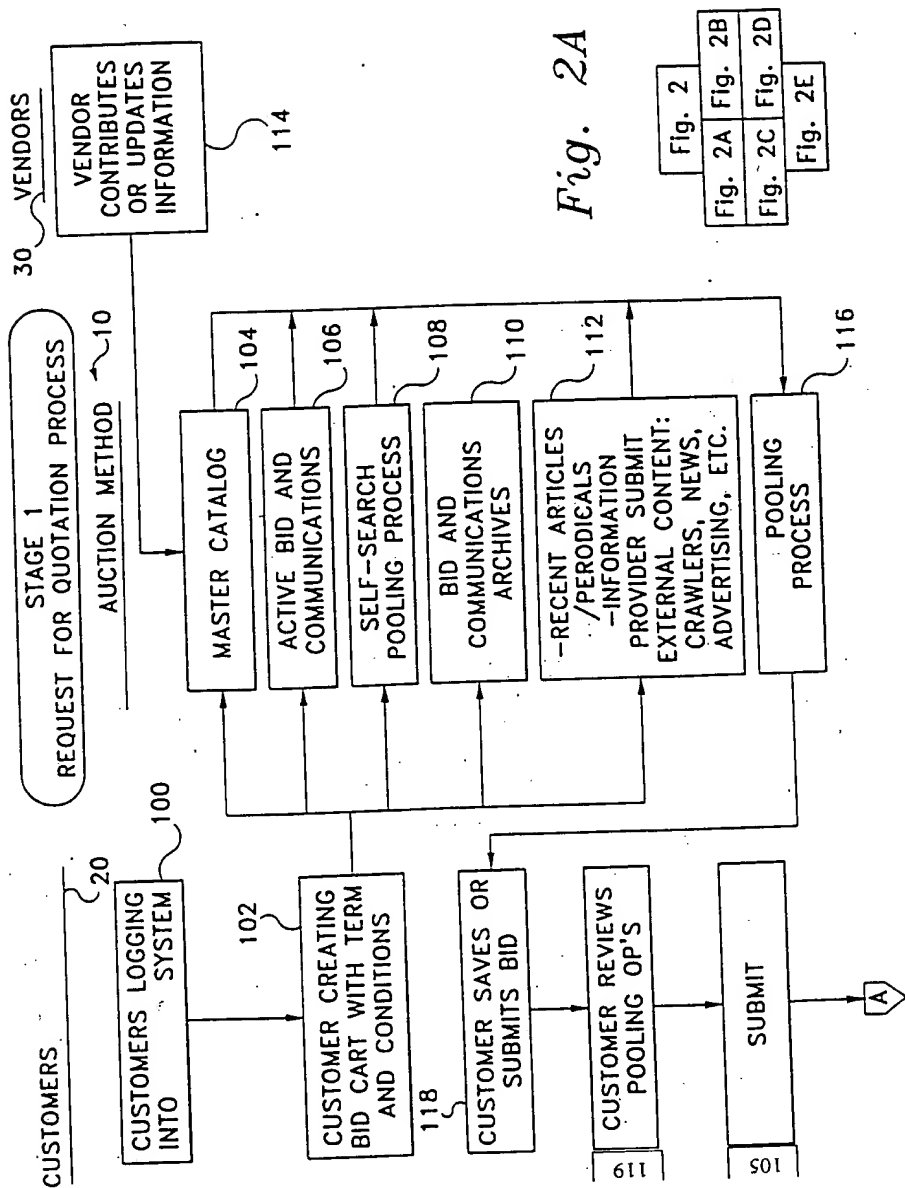
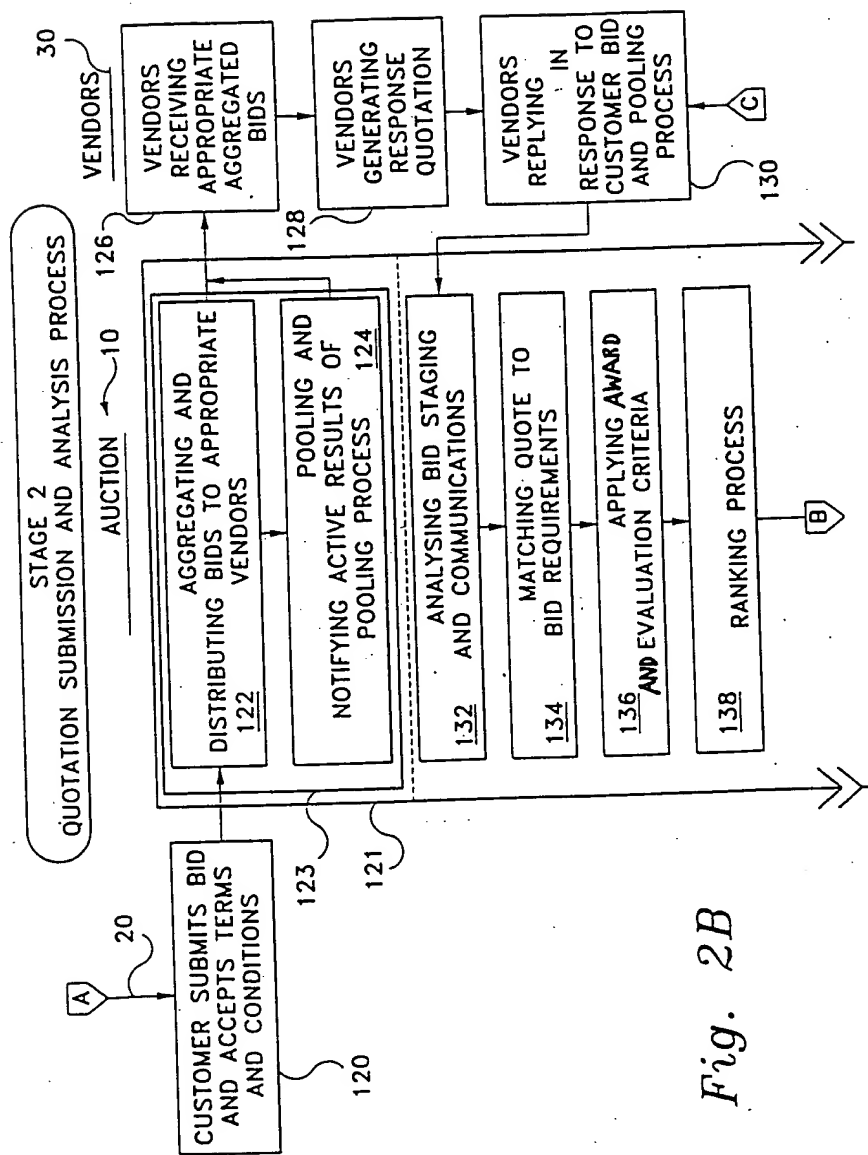


Fig. 2A

Fig. 2	Fig. 2A	Fig. 2B
	Fig. 2C	Fig. 2D
		Fig. 2E



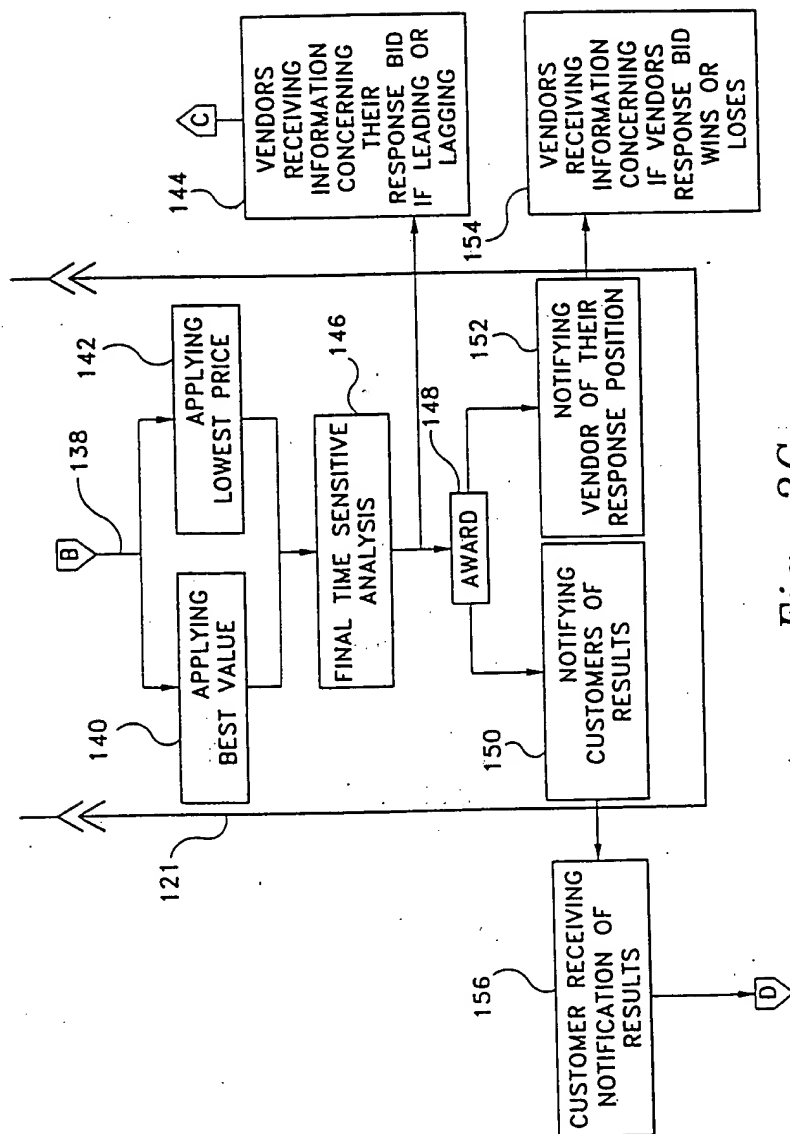


Fig. 2C

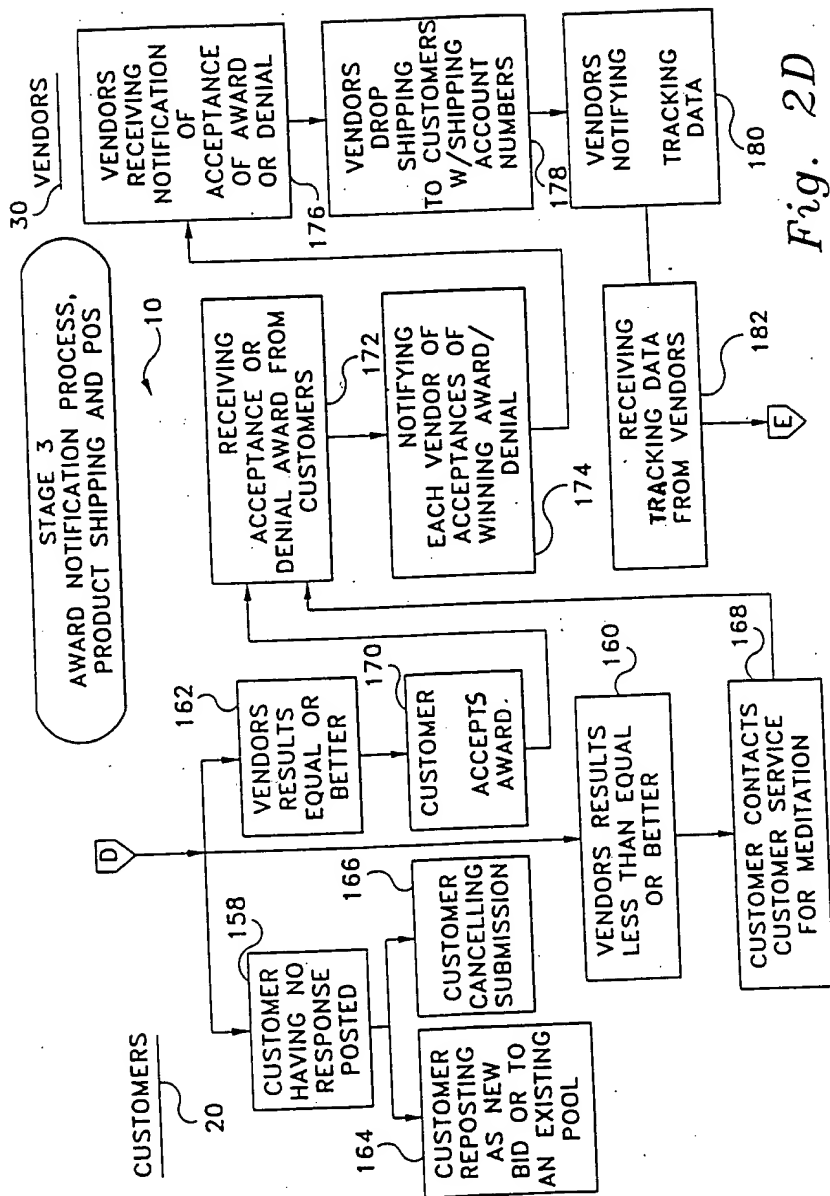


Fig. 2D

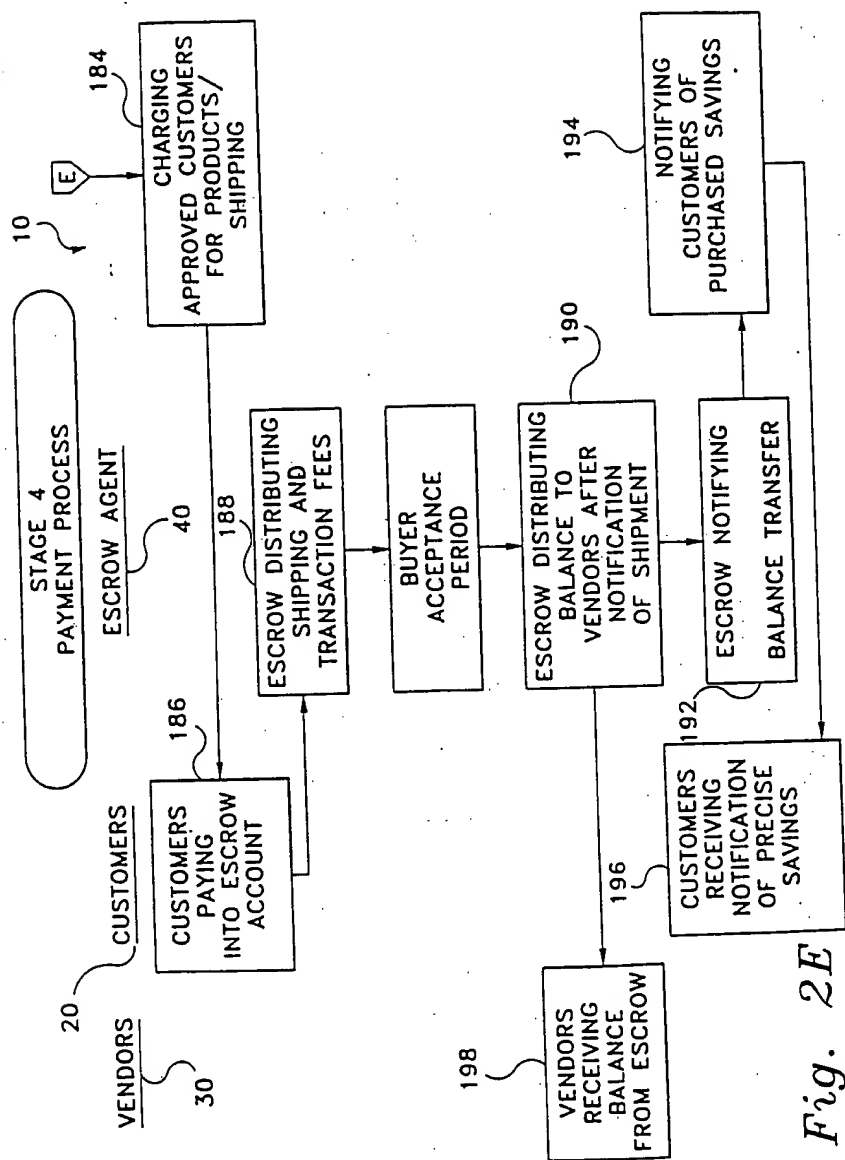


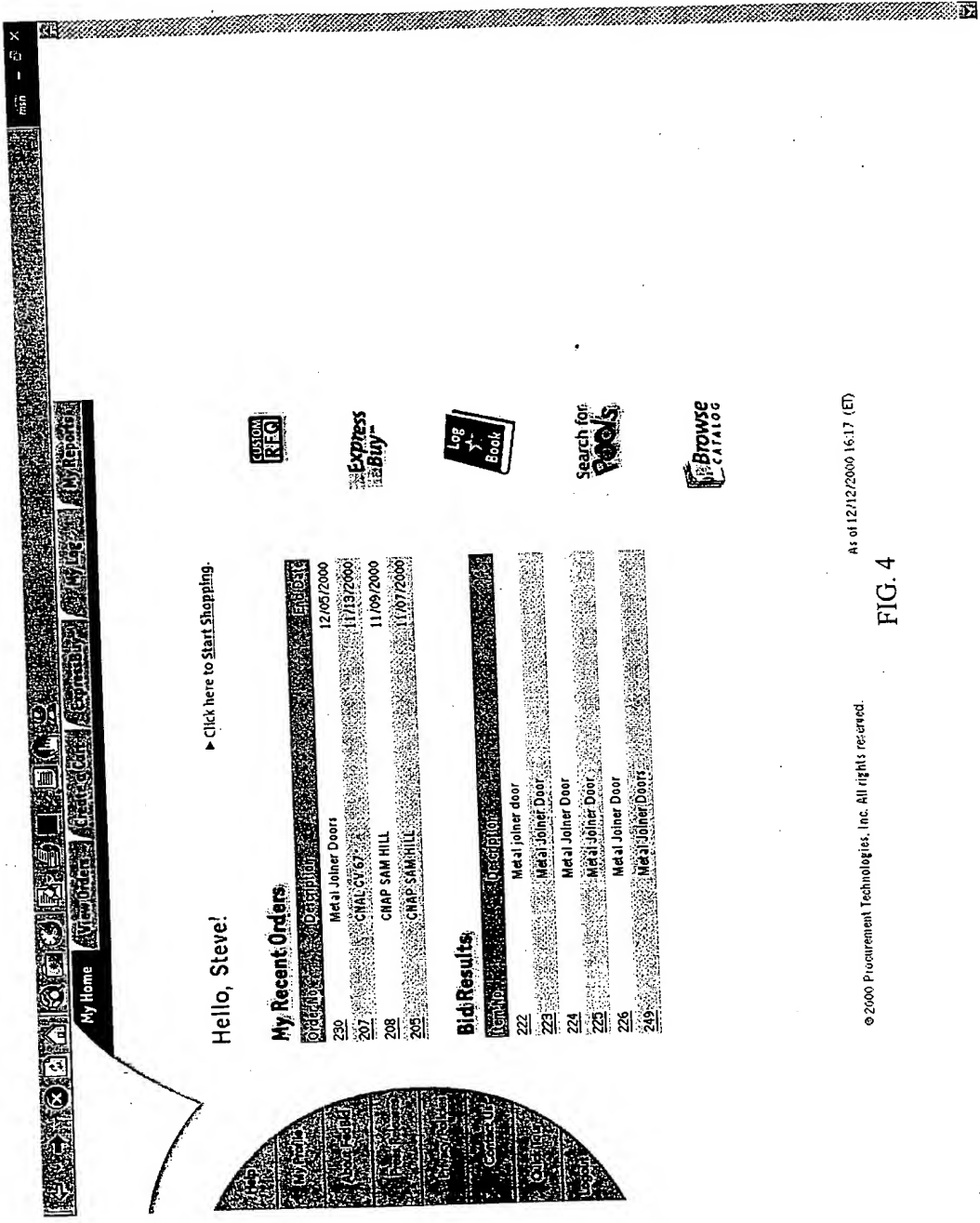
Fig. 2E

Welcom.

Sample Case Studies

Case 1	
8/30, 11:15 am	Department of Transportation cardholder submits request for 15 printers Target price: \$651 per unit, per GSA Auction closes: 47 vendors have bid. Result: unit price down to \$635, delivered. 1 request, 30 hours, 47 bids, 4% savings over GSA price
9/1, 5:00 pm	
Stats:	
Total Savings	\$390
Case 2	
8/31, 2:23 pm	An Air Force cardholder submits a request for tape cartridges Auction closes: 19 vendors have bid. Result: price per tape down to 37% below Target Price. 1 request, 26 hours, 19 bids, 37% savings
9/1, 5:00 pm	
Stats:	
Total Savings	37%
Case 3	
9/1, 10:00 am	An auction request from a Department of Transportation cardholder initiates a competition between two major PC manufacturers for 23 high- end desktop PCs. Target Price: \$2030 per unit. Leading bid: \$1684 per unit. Auction closes: 2 top vendors have engaged in a spirited bidding war. Result: leading bid price down to \$1444 per unit, delivered—28% below Target Price. 1 request, 48 business hours, 28% savings
9/5, 10:00 am	
9/5, 12:00 pm	
Stats:	
Total Savings	\$13,478
Case 4	
Day 1	A State Department cardholder requests a FedBid.com auction for a Lexmark printer. A non-FedBid.com vendor has quoted a manufacturer- sponsored trade-in discount of \$2165 that would require the cardholder to turn in the printer it's now using. Auction result: price down to \$2117, delivered, with no trade-in. 1 request, 24 hours, 13 bids, winning price beats trade-in price value of retained printer plus \$48
24 hrs later	
Stats:	
Total Savings	

FIG. 3



Click here to Start Shopping.

Hello, Steve!

My Recent Orders

Order ID	Description	Date
230	Metal Joiner Doors	12/05/2000
207	CHAL CV 67	11/13/2000
208	CHAP SAM HILL	11/09/2000
205	CHAP SAM HILL	11/07/2000

Bid Results

Item ID	Description	Bid Price
222	Metal Joiner door	
223	Metal Joiner Door	
224	Metal Joiner Door	
225	Metal Joiner Door	
226	Metal Joiner Door	
249	Metal Joiner Door	




FIG. 4

FIG. 5

My Credit Card Log

Credit Card No. 20511 (Last 5 Digits)

01/01/2000 - 01/01/2001

Date Ordered	Item Number	Description	Vendor (Company, Street, Phone)	Vendor Type	Unit Price	Quantity	Unit Price	Total Price	Date Billed	Amount Billed	Date Paid	Interest Paid
	10/26/2000	201	Digital Camera, Carrying Case, and (3) Smart Cards	GOVPLACE, Sean Burks, 8883088802	8(A) Firm, Minority- owned, Small Business, Veteran- owned, Women- owned	\$1,010.94	1	\$1,010.94	10/26/2000	\$1,010.94	10/31/2000	
	11/07/2000	220	SYSTEM SHOCK PROOF HARD CASE FOR CS3003 DIGITAL CAMERA	DESKTOPS BY DESIGN, Lcar Falter, 3017752509 3019222854		\$43.34	1	\$43.34	11/07/2000	\$43.34		
	11/13/2000	227	AA NIMH BATTERY PACK WITH CHARGER	USA SUPPLY, Patrick Boylan, 9728892867	8(A) Firm, Minority- owned, Small Business, Veteran- owned, Women- owned	\$53.62	1	\$53.62	11/19/2000	\$53.62		

Item Details for Item No. 249

Order No.: 230
Description: Metal Joiner Doors
Category: SUPSHIP
Subcategory: Metal Doors
Internal Ref. No.:
Manufacturer: Various
Mfr. ID No.: 804-1648655 LH
Target Price/Unit:** \$1200.0
Qty.: 15
End Date: 12/05/2000
End Time: 18:00
Vendor Types: All Vendors
****Includes domestic shipping & handling**

Award Criteria:

Price	100
Features	0
Risk Rating*	0
Warranty	0

*Source: D&B

Evaluation Criteria: Exact Match Only

Manufacturer DWG #	5959320
Delivery Method	FOB Destination
Delivery Date	6 - 8 weeks ARO
Dimensions	26 x 66
Document #	IN62793-0292-K006
Part #	804-1648655 LH
hold back hook and bumper	with IAW DWG 804 5959320
kick plates	with kick plates
latches	with latches
door knobs	no keyed door knobs
push plates	with push plates
Rotan Hinges	with Rotan Hinges

FIG. 6

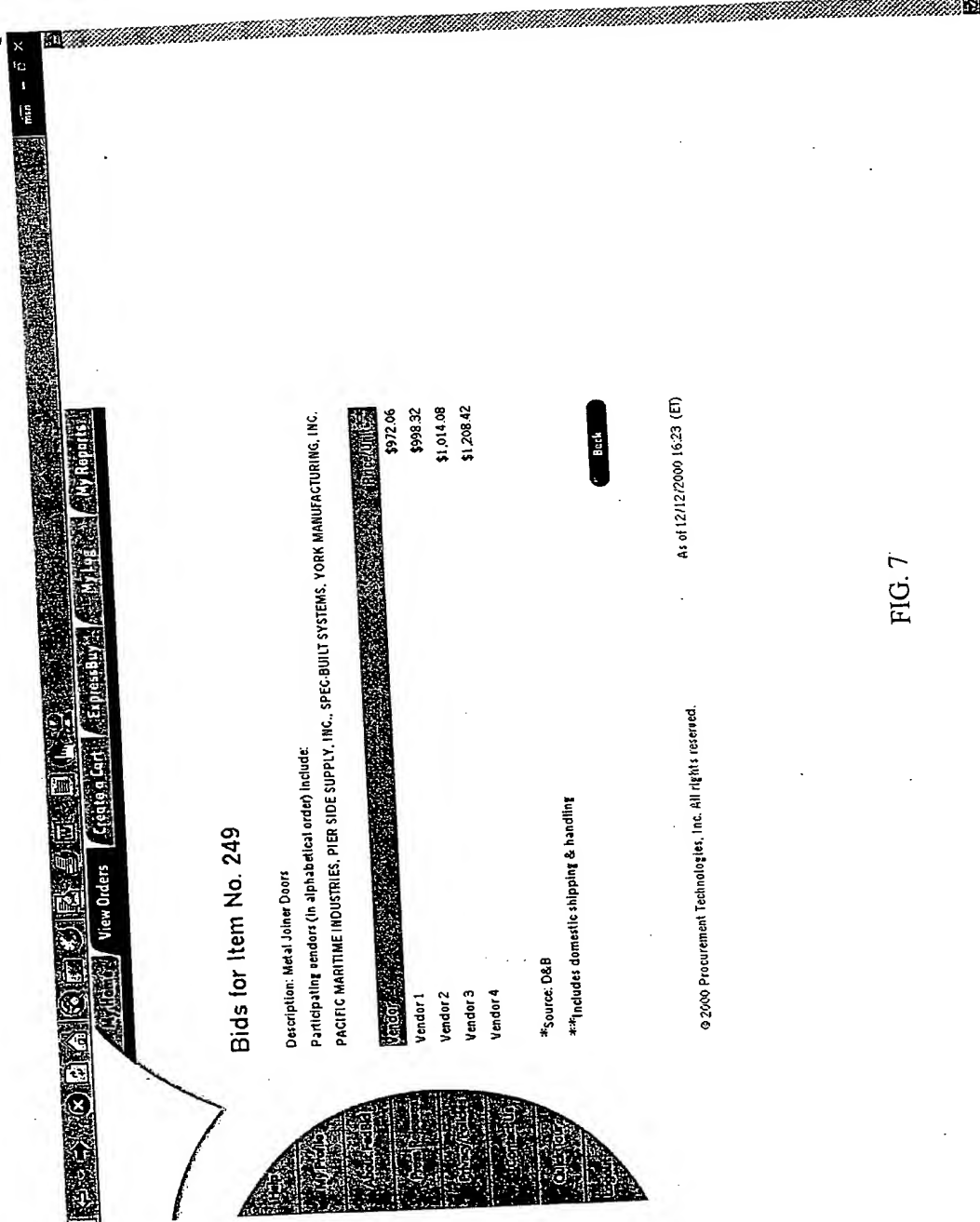


FIG. 7

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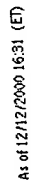
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Best Value

FedBid.com's 'Best Value' engine evaluates bid responses by four variables—Price, Features, Risk, and Warranty—that the buyer weights. Rate the importance of each category by assigning it a percentage value (total should be 100 percent). FedBid.com uses a proprietary Best Value Algorithm to generate an unbiased measure of the benefits associated with a particular product or service. A Best Value score is calculated for each of the factors, then totaled. Bids from each vendor are ranked by total Best Value score.

Price	<input type="text" value="50"/>	%	'Price' refers to the final award price per item. Assigning percentage points here increases the likelihood of obtaining an award item with the lowest price.
Features	<input type="text" value="25"/>	%	'Features' refers to feature specifications. Assigning percentage points here increases the likelihood of obtaining an award item with features that exceed the original specifications.
Risk	<input type="text" value="25"/>	%	'Risk' refers to vendors' Dun & Bradstreet ratings. Assigning percentage points here increases the likelihood of finding a low-risk vendor.
Warranty	<input type="text" value="0"/>	%	'Warranty' refers to a seller's standard limited warranty provisions and warranty term. Assigning percentage points here increases the likelihood of obtaining a longer warranty period.

*Source: D&B

Back Continue

FIG. 10



Subcategory Selection

Click on the view of your choice:

- Computer Products
- Office Equipment
- Specialty Items
- Labor Services
- Office Furniture
- Training Services
- Demo
- SUPSHIP

Hardware

- Chassis
- Desktop Computers
- Memory
- Monitors
- Motherboards
- Notebook Computers
- Printers
- Processors
- Scanners
- Servers
- Sound Cards
- Video Cards

Accessories

- AC Adapters
- Batteries
- Carrying Cases
- Ethernet Cable
- Input Devices
- Microphones
- SCSI Cable
- Speakers
- Surge Suppressors
- UPS Systems

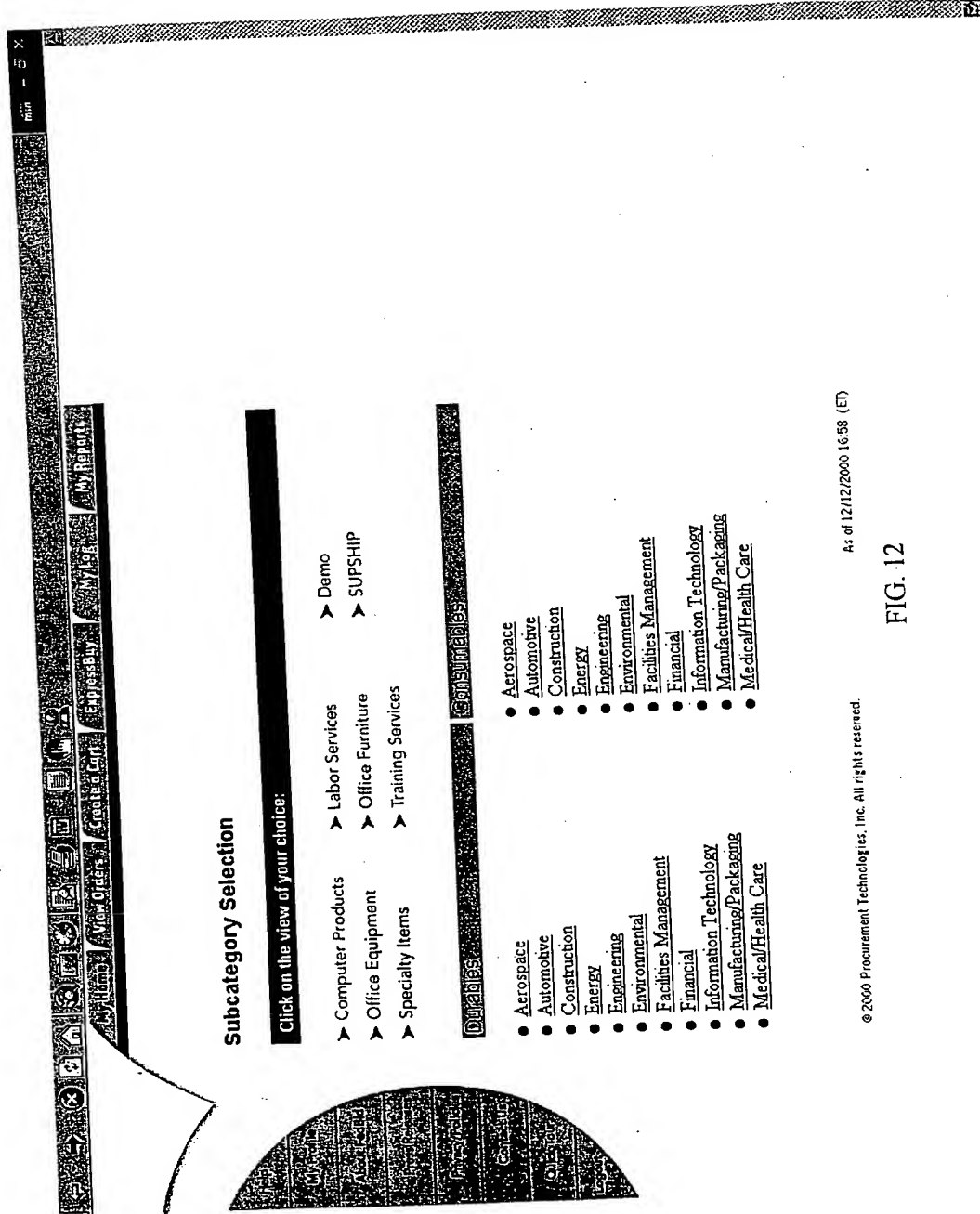
Storage

- CD Recorders
- Floppy Disks
- Hard Drives
- Recordable CD's
- Removable Storage
- Tape Cartridges

Networking

- Modems
- Network Cards
- Network Hubs

FIG. 11



Subcategory Selection

Click on the view of your choice:

- Computer Products
- Labor Services
- Demo
- Office Equipment
- Office Furniture
- SUPSHIP
- Specialty Items
- Training Services

Dualities

- Aerospace
- Automotive
- Construction
- Energy
- Engineering
- Environmental
- Facilities Management
- Financial
- Information Technology
- Manufacturing/Packaging
- Medical/Health Care

Dualities

- Aerospace
- Automotive
- Construction
- Energy
- Engineering
- Environmental
- Facilities Management
- Financial
- Information Technology
- Manufacturing/Packaging
- Medical/Health Care



Home Add to Cart Shipping Tracking Repair

My Selection

Qty:

10

Description:

Four Door Sedan

Manufacturer**:

Not Specified

Mnfr. ID No. *:

Not Specified

Target Price/Unit **:

\$22000

*Optional

**Includes domestic shipping & handling

Feature	Value	Action
Engine Class - Fuel Type	Unleaded Gasoline	Delete
Engine Capacity	V-6	Delete
Transmission Type	Automatic	Delete
Break Systems	Anti-lock Break System (ABS)	Delete
Color	Not Specified	Delete
Environmental Control	Air Conditioning & Heating	Delete
Warranty	5yr/50,000 Miles	Delete
Number of Doors	Four Door	Delete
Power Accessories	Windows & Locks	Delete
Country of Origin	USA	Delete
Delivery Requirement	No Partial Deliveries	Delete
Delivery Due Date	COB 01-30-01	Delete

To add new features, click here

Add Feature

FIG. 13

FIG. 14



Bid Results for Pool 218

Your Bid Status: Won
No. of Units Accepted: 0

Metal Joiner door

Congratulations! You have the winning bid for Pool 218. You will receive a separate P.O. by email for each order within the pool, upon acceptance of the bid by the customer(s). The P.O. will include details such as quantity and delivery information. In addition, you may view shipping addresses, as they become available, by clicking on the 'shipping' button at the bottom of this page.

Category: Computers
Subcategory: Metal Doors
Evaluation Criteria: Exact Match

Quantity: 3
End Date: 11/13/2000
End Time: 18:00 ET

Customer Specifics
Manufacturer: various
Mfr. ID No.: 804-1942434RH
Mfr. ID No.:
Vendor Type: All Vendors

Winning Bid
Manufacturer: various
Mfr. ID No.: ym509320-uh
Warranty: 3
Max Qty.: 100

Product Cost/Unit: \$675.00
FedBid Fee/Unit: \$20.25
Credit Card Fee/Unit: \$14.19

Winning FedBid/Unit: \$709.44

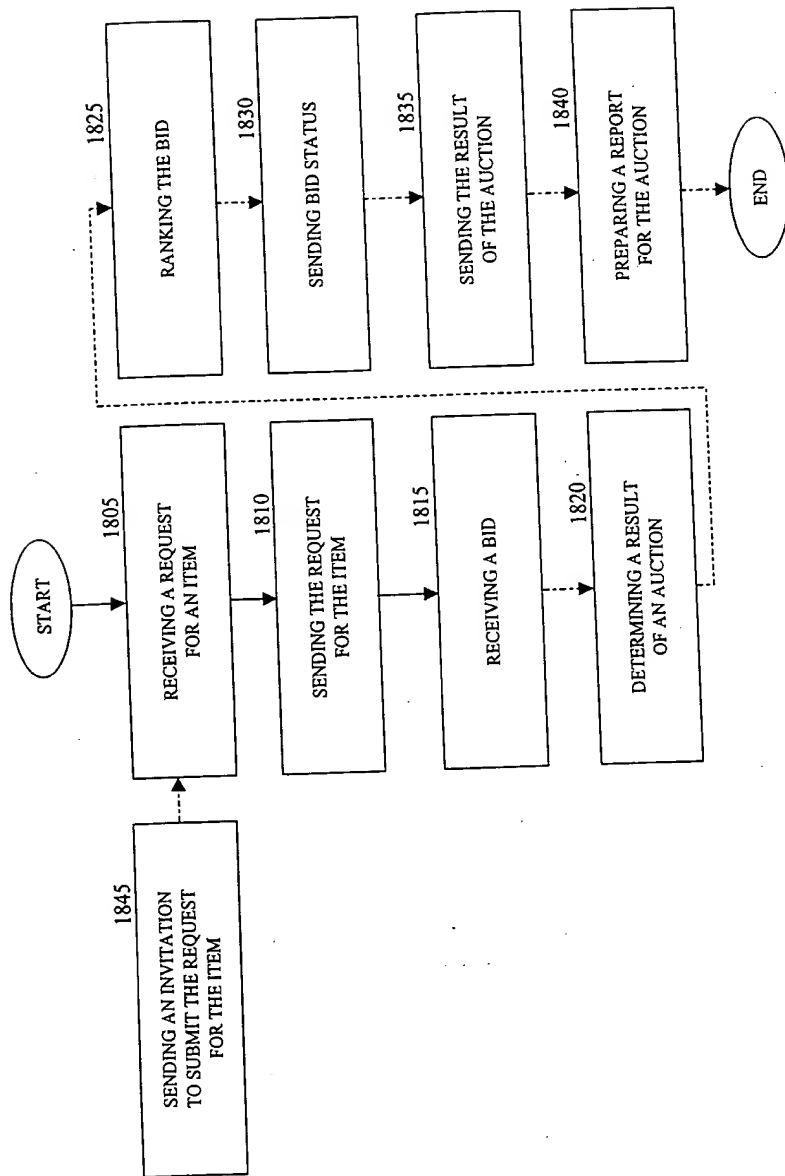
Award Criteria: Best Price
Price: 100
Features: 0
Risk Rating: 0
Warranty (Months): 0
*Source: D&B



Feature: 28 x 75
PN Type: Cops
10-0230415

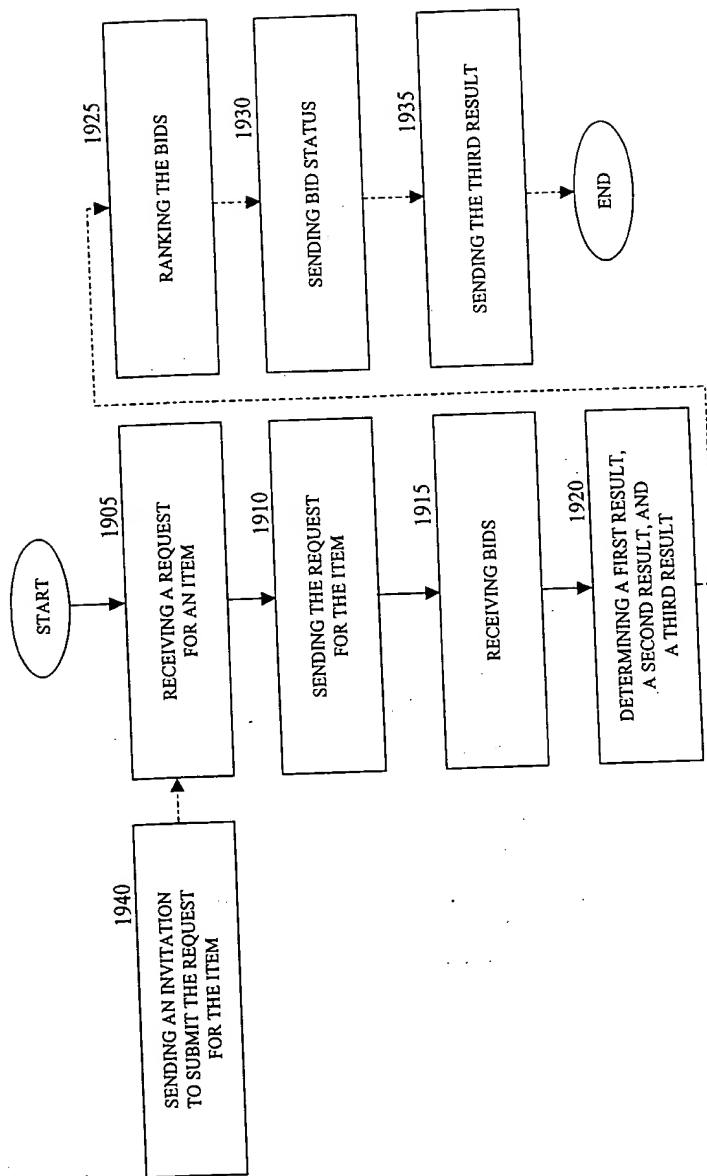
Bid Spec
Meet
Not Specified
Not Specified

FIG. 17



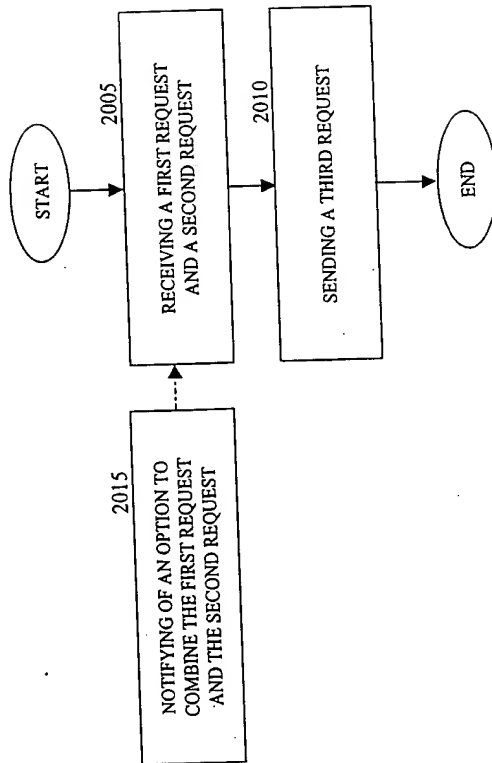
1800

FIG. 18



1900

FIG. 19



2000

FIG. 20

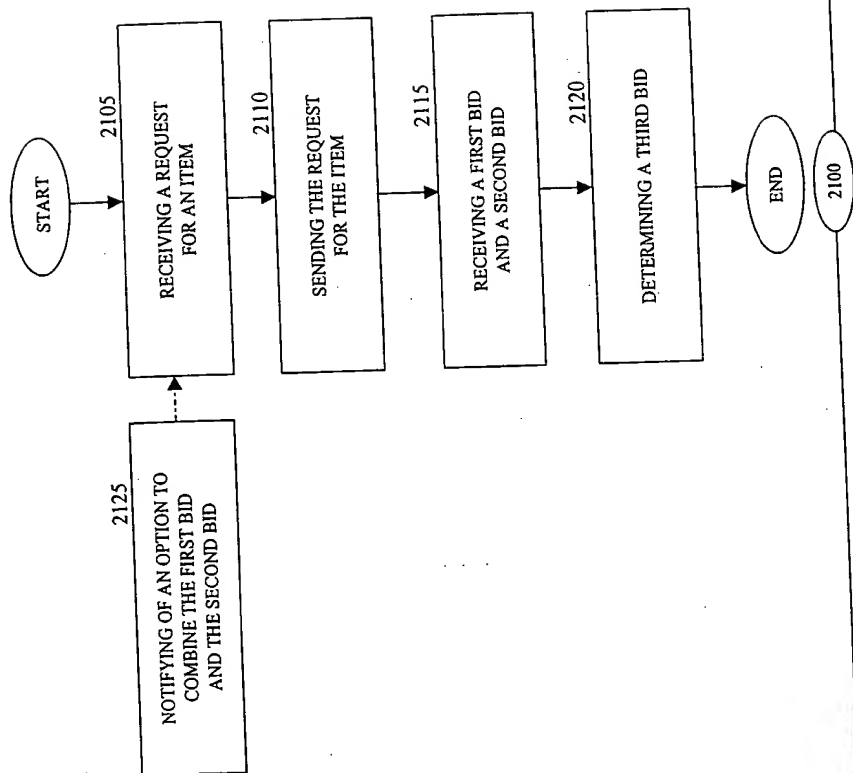


FIG. 21

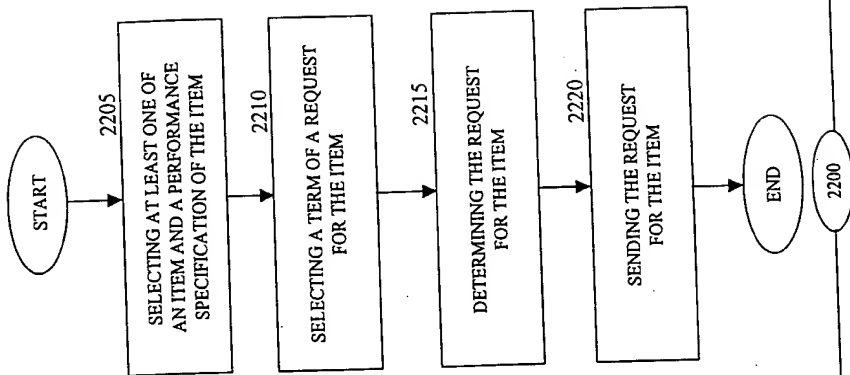
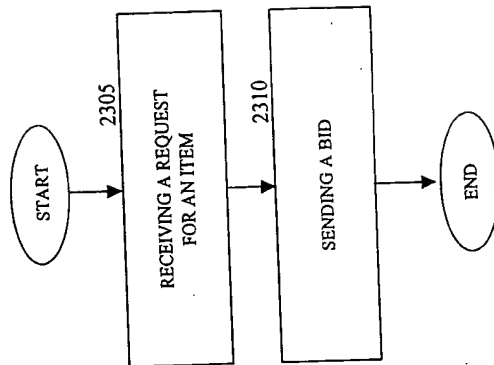
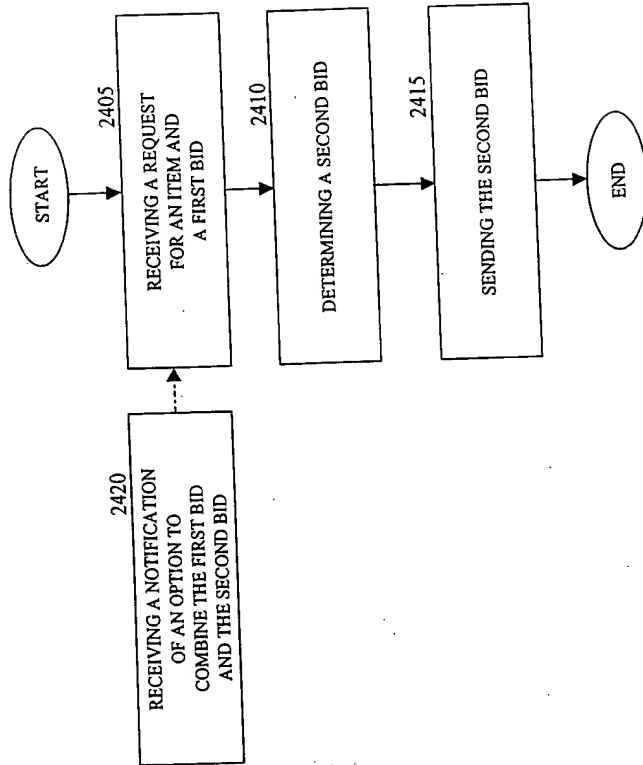


FIG. 22



2300

FIG. 23



2400

FIG. 24

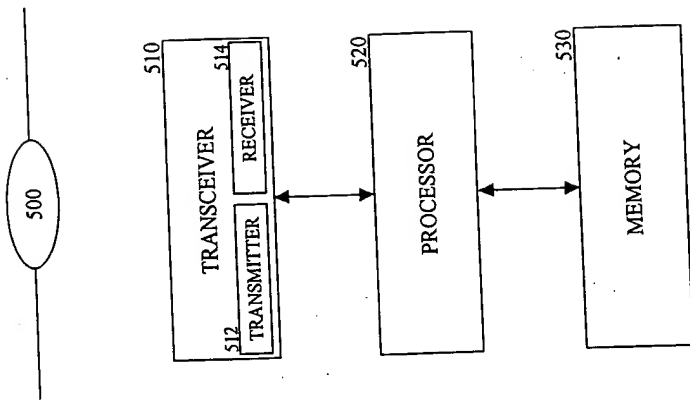


FIG. 25

600

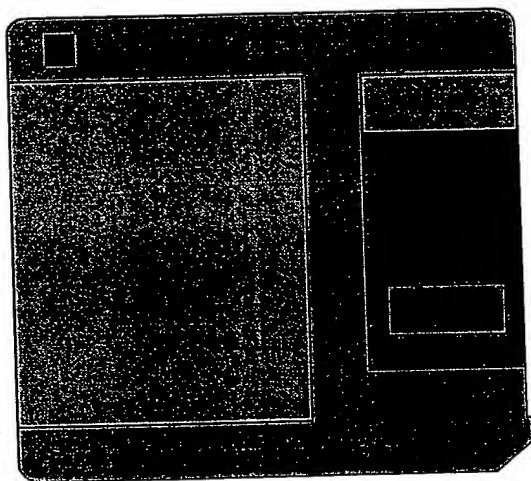


FIG. 26

EXHIBIT B

**FEDERAL EXPRESS RECEIPT FOR THE LETTER DATED APRIL 16, 2001, PATENT
APPLICATION AND DECLARATION SENT TO MR. BANDA**



Invoice Number: 5-920-21279
Invoice Date: Aug 07, 2001
Account Number: 1752-9201-2
Page: 6 of 9

FedEx Express Payment Type Detail (Original)

Dropped off: Jul 16, 2001 **Payor: Shipper** **Reference: NO REFERENCE INFORMATION** FedEx Internal Use: 423308912/0001283/ /03

- Fuel Surcharge - FedEx must apply a temporary fuel surcharge to reflect current market conditions as they relate to fuel costs.
- 1st attempt Jul 17, 2001 at 12:57 PM.
- Incorrect recipient address.
- Original address - 3120 NAAMANS ROAD/WILMINGTON, DE 19810
- Distance Based Pricing, Region 2
- FedEx has audited this airbill for correct pieces, weight, and service. Any changes made are reflected in the invoice amount.

Tracking ID	790104407181	Sender	Recipient
Service Type	FedEx Standard Overnight	DASTON CORP	GREGORY OPP
Package Type	FedEx Packet	DASTON CORP	NO APT GIVEN
Zone	2	8245 BOONE BLVD STE 704	WILMINGTON DE 19810 US
Pieces	1	VIENNA VA 22182-3846 US	
Weight	1.0 lbs, 0.5 kgs		
Delivered	Jul 17, 2001 13:08	Transportation Charge	14.00
Service		Address Correction	10.00
Area Code	AA	Fuel Surcharge	0.56
Signed by	3785346		
Bundle ID	000	Total Charge	USD \$ 24.56

Dropped off: Jul 17, 2001 **Payor: Shipper** **Reference: NO REFERENCE INFORMATION** FedEx Internal Use: 423394150/0001283/ /

- Fuel Surcharge - FedEx must apply a temporary fuel surcharge to reflect current market conditions as they relate to fuel costs.
- Distance Based Pricing, Region 2

Tracking ID	790104820915	Sender	Recipient
Service Type	FedEx Standard Overnight	DASTON CORP	FRANK BANDA
Package Type	FedEx Packet	DASTON CORP	SOFTWARE PERFORMANCE SYSTEMS I
Zone	2	8245 BOONE BLVD STE 704	2011 CRYSTAL DRIVE
Pieces	1	VIENNA VA 22182-3846 US	ARLINGTON VA 22202 US
Weight	1.0 lbs, 0.5 kgs		
Delivered	Jul 18, 2001 15:51	Transportation Charge	14.00
Service		Fuel Surcharge	0.56
Area Code	A1		
Signed by	M.MOUL	Total Charge	USD \$ 14.56
Bundle ID	000		

Dropped off: Jul 19, 2001 **Payor: Shipper** **Reference: 06/01INVOICE ZZOH-300** FedEx Internal Use: 423580524/0000222/ /

- Fuel Surcharge - FedEx must apply a temporary fuel surcharge to reflect current market conditions as they relate to fuel costs.
- Package sent from: 19406 zip code
- Distance Based Pricing, Region 4

Tracking ID	790107864660	Sender	Recipient
Service Type	FedEx Standard Overnight	DASTON CORP	RESEARCH TRIANGLE PARK FINANCIAL
Package Type	FedEx Envelope	DASTON CORP	ENVIRONMENTAL PROTECTION AGENCY
Zone	4	8245 BOONE BLVD STE 704	MANAGEMENT CENTER
Pieces	1	VIENNA VA 22182-3846 US	DURHAM NC 27711 US
Weight	0		
Delivered	Jul 20, 2001 09:39	Transportation Charge	13.75
Service		Fuel Surcharge	0.55
Area Code	A1		
Signed by	R.MORRISON	Total Charge	USD \$ 14.30
Bundle ID	000		

EXHIBIT C

**E-MAIL EXCHANGE BETWEEN MESSRS. FUSTER AND WALSH REGARDING THE
DECLARATION**

Halpern, Jay L.

From: Brendan walsh [brendan.walsh@daston.com]
Sent: Monday, August 06, 2001 1:36 PM
To: JAY HALPERN (E-mail)
Cc: CHRIS DEMKO (E-mail); LU TUPPONCE (E-mail); Stephen P. Candelmo (E-mail)
Subject: FW: Patent and others.

Importance: High
Sensitivity: Confidential

Jay - We should be able to use this email as documentation that Phil will NOT sign the patent filing. Please let me know what you think as far as the patent filing goes.

Chris/Stephen/Lu - FYI.

-----Original Message-----

From: Phil Fuster [mailto:ffuster@bid4assets.com]
Sent: Monday, August 06, 2001 10:58 AM
To: Brendan walsh
Subject: Patent and others.
Importance: High
Sensitivity: Confidential

Brendan,

After careful consideration and research, I feel that there is neither reason nor incentive for me to sign the patent document.

In addition, I think you or PNC need to provide a summary of the sale to the investors and creditors that I will attach with an overview from my behalf. There is some grey area as to the recovery value. To my understanding, there was a recovery value in significant excess to what was owed PNC ((Value of the Transaction + \$130K Cash Frozen + Asset Sale Recovery) - Net Owed). Therefore, there may be valid liens against the assets of the company and a potential encumbrance to the sale.

You may want to document everything that transpired between yourself and PNC (forward to Stephen) to protect yourself from any perception of impropriety that may arise. Having been an executive of the company, you are subject to more scrutiny. Just CYA.

Take care,
Phil

Phil Fuster
Sr. Vice President, Sales
Bid4Assets, Inc.
1010 Wayne Ave, Suite 505
Silver Spring, MD 20910
1.877.794.1542 ext.102 Office
1.301.770.2077 Fax
pfuster@bid4assets.com

-----Original Message-----

From: Brendan walsh [mailto:brendan.walsh@daston.com]
Sent: Wednesday, July 18, 2001 11:13 AM
To: Phil Fuster

Cc: DALE LAZAR (E-mail); JAY HALPERN (E-mail)
Subject: RE: hello
Sensitivity: Confidential

Please do what you deem prudent. Just please let Dale and me know your timeline so that we can work accordingly. Since Dale and Jay are the attorneys handling the filing, I do need to discuss this with them. Thanks.

-----Original Message-----

From: Phil Fuster [mailto:ffuster@bid4assets.com]
Sent: Wednesday, July 18, 2001 10:30 AM
To: Brendan walsh
Subject: RE: hello
Importance: High
Sensitivity: Confidential

Brendan,

Thank you for the explanation. I spoke with Dale Lazar and he also gave me a similar explanation. I still want to understand all of my options. Not as they pertain to ownership, but as they pertain to whether or not I want to agree on having the patent submitted. I need to understand what implications that might have on any future business I may want to do. If submitted, which as Dale explained can not be done without my consent, it may limit what I may want to do in some future venture. Since it was my idea, I want to be cautious about any move with it.

I know you would consider the same options if you were in my shoes. I want to know what all of those options are, as they could affect any compensation I could receive in the future.

I do not mean to throw a wrench into anything; I just am not operating from a position of knowledge at this point and want to do so. I was referred over to a Patent attorney at Nixon & Vanderhye, who was a PTO judge to give me some options. Once I have a copy of the docs, I will get on his calendar and get his counsel.

Regards,
Phil

Phil Fuster
Sr. Vice President, Sales
Bid4Assets, Inc.
1010 Wayne Ave, Suite 505
Silver Spring, MD 20910
1.877.794.1542 ext.102 Office
1.301.770.2077 Fax
pfuster@bid4assets.com

-----Original Message-----

From: Brendan walsh [mailto:brendan.walsh@daston.com]
Sent: Wednesday, July 18, 2001 9:34 AM
To: Phil Fuster
Cc: JAY HALPERN (E-mail)
Subject: RE: hello

Thank you for the response.

I'm not an attorney but my understanding is that this is a "patent process" issue rather than an "ownership" issue. This is the document that Pillsbury sent to you in February, which you did not sign. It is the continuation of the filing. Your signature confirms what was submitted under the provisional filing. So far we have Luigi, Gail, Stephen, Michael, and my signatures with

a positive from Frank. I still need to track down Jorn and get your response.

I don't think it is just a formality or Pillsbury wouldn't have spent their time on the effort. Please do speak with Jay. His patent partner is Dale Lazar. Per my meeting with Halpern, I will copy him on this email as an FYI. He did offer to explain the document if you are willing to discuss it with him. He also has copies of the full doc.

Also, say hi to Mathew, and I hope all is well.

-----Original Message-----

From: Phil Fuster [mailto:ffuster@bid4assets.com]

Sent: Tuesday, July 17, 2001 5:52 PM

To: Brendan walsh

Subject: RE: hello

Brendan,

Before I sign any document, I want to understand why I am being asked to sign anything and what implications it has? What am I signing away?

I will ask Jay and have Matthew review it. If it is just a formality, than I

don't need to sign anything.

Regards,

Phil

Phil Fuster

Sr. Vice President, Sales

Bid4Assets, Inc.

1010 Wayne Ave, Suite 505

Silver Spring, MD 20910

1.877.794.1542 ext.102 Office

1.301.770.2077 Fax

pfuster@bid4assets.com

-----Original Message-----

From: Brendan walsh [mailto:brendan.walsh@daston.com]

Sent: Tuesday, July 17, 2001 10:55 AM

To: Phil Fuster

Subject: hello

Please give me a call when you get a chance. We need to get your signature on the patent filing as one of the original inventors. Would you be willing to do it? I need to get the signatures in this week to Halpern. Please let me know. Take care.

Brendan Walsh

General Manager

FedBid.com

Procurement Technology by Daston

8245 Boone Blvd.

Vienna, VA 22182

phone: 703-288-3200 x 237

mobile: 703-283-9211

email: brendan.walsh@daston.com

EXHIBIT E

**E-MAIL EXCHANGE BETWEEN MESSRS. BANDA AND WALSH REGARDING THE
DECLARATION**

Halpern, Jay L.

From: Brendan walsh [brendan.walsh@daston.com]
Sent: Wednesday, August 08, 2001 12:34 PM
To: 'Banda, Frank'
Cc: JAY HALPERN (E-mail); DALE LAZAR (E-mail)
Subject: RE: patent filing

Thanks for the status. We just need to know which way to proceed. Sorry to bother you with this stuff. Take care.

I am copying Pillsbury so they can proceed with the filing.

-----Original Message-----

From: Banda, Frank [mailto:FBanda@goSPS.com]
Sent: Monday, August 06, 2001 9:58 AM
To: 'Brendan walsh'
Subject: RE: patent filing

Brendan,

I did receive the package and have reviewed the information. After careful consideration I do not feel there is any incentive for signing the documents; therefore you should proceed without my signature.

Frank

-----Original Message-----

From: Brendan walsh [mailto:brendan.walsh@daston.com]
Sent: Monday, August 06, 2001 9:52 AM
To: FRANK BANDA (E-mail)
Subject: patent filing

Did you get the patent filing package from Pillsbury? I sent the documents via FedEx.

Any chance to review the patent filing issue? I need to get an update to Jay Halpern this week.

Please let me know either way. Thanks.

Brendan Walsh
General Manager
FedBid.com
Procurement Technology by Daston
8245 Boone Blvd.
Vienna, VA 22182
phone: 703-288-3200 x 237
mobile: 703-283-9211
email: brendan.walsh@daston.com

EXHIBIT D

**E-MAIL EXCHANGE BETWEEN MESSRS. SCHAFFNER AND WALSH REGARDING
THE DECLARATION**

Hoffman, Jean-Paul

From: Lazar, Dale S.
Sent: Friday, September 21, 2001 9:33 AM
To: Halpern, Jay L.; Hoffman, Jean-Paul
Subject: FW:

FYI

Dale

-----Original Message-----

From: Jorn Schaffner [mailto:jornschaffner@yahoo.com]
Sent: Friday, September 21, 2001 9:31 AM
To: dlazar@pillsburywinthrop.com
Cc: brendan.walsh@fedbid.com
Subject:

Dale,

I will be mailing a signed copy of the Declaration and PoA for Patent Application for the Invention Entitled Auction Based Procurement System.

Thank you,

Jorn

Terrorist Attacks on U.S. - How can you help?
Donate cash, emergency relief information in [Yahoo! News](#).

9/21/2001